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Finding Out How Germany Works

By Marc Fisher Washington Post Service BERLIN — By the time Barberte Selke turns 18 and begins work as a bakery sales clerk next year, she will know the nutritional values of 40 types of bread, how to wrap dozens of different rolls and cakes and what to recommend to customers seeking the perfect bread for toast.

Germany's joint government-industry program, which trains 65 percent of the country's work force, is the modern version of the medieval guilds that passed on craft skills from one generation to the next. In 375 occupations in Germany today, ranging from baker to banker, from violin maker to laboratory assistant, the only way into a career is through a three-year formal training course mixing classroom and on-the-job training.

U.S. ethic of competition, but may even violate antitrust laws. "The relationship among business, government, education and labor is a partnership in Germany, while in the States it's adversarial," said Monika Axing, director of the nonprofit Institute for Education and Employment in Newton, Massachusetts.

And Why Its Luxury Cars Are Stalling

By Brandon Mitchener International Herald Tribune FRANKFURT — German carmakers, preoccupied at justifying high price tags, are finding it more and more difficult to defend something they have always taken for granted: their quality.

In a country where every fifth industrial job is directly or indirectly linked to motor vehicle production, the implications of the trend are being taken as seriously as the challenge of lean production. "We were the best for decades, and now we're having to learn that others also know how to build cars and that they're getting better," said Albrecht Köster, the top executive for quality management at Mercedes-Benz and an industry spokesman on the subject.

customers, while four out of the top five spots fell to Japanese brands. In a similar study of people who had owned their 1991 model cars for one year, Germans fared better, but Mercedes, their vanguard, still only came in fifth. The winner in both studies was Toyota's Lexus.

Anxious Republicans Still Cling to Hope

By Robin Toner New York Times Service WASHINGTON — Three-fourths of the way through the debates that were supposed to begin President George Bush's final rally, Democrats can barely contain their euphoria. And Republicans, ever more anxious, still cling to the hope of a major break in the final two weeks, and the hope that Mr. Bush can seize it.

we have a legitimate shot of winning," said David Wilhelm, manager for the Clinton campaign. "At this point in the campaign you're not trying to fake somebody out." The electoral map looks remarkably favorable to the Democrats in this final stage, with Mr. Clinton dominating California and the Northeast, holding clear leads across most of the industrial Midwest and being in a competitive position in much of the South, a variety of polls have indicated.

feared for Monday night's final debate all the more acute. An administration official said campaign officials continued to believe that the trust issue was Mr. Clinton's fatal flaw. "The only thing we can do and will do for the next 18 days is continue to say here's what you need to know about this guy, here's what you need to know about his policies, and do you really want him to lead you for the next four years," the official said.



Prime Minister Li Peng at the party congress Sunday. He was re-elected to the Central Committee and is expected to remain at the apex of power on the Standing Committee.

Party Adopts Deng's Plan For Reform Of Economy

On Central Committee, Hard-Line Marxists and Liberals Are Purged

By Lena H. Sun Washington Post Service BEIJING — The Chinese Communist Party ended its congress on Sunday by embracing Deng Xiaoping's capitalist-style economic initiatives and overhauling its policy-making Central Committee in a sweeping reshuffle, naming new members to nearly half the seats. The party dropped many elderly veterans and apparently in a compromise between hard-liners and moderates, purged orthodox Marxists as well as several leading liberals. Many of the new faces included younger technocrats and in a sign of the military's growing influence, several representatives from the country's regional military commands.

Kiosk

Two Disasters Rock Colombia

BOGOTA (AP) — Colombia was rocked Sunday by two natural disasters: its second severe earthquake in two days and a volcanic explosion in the northwest. At least 10 people were killed, and scores were wounded or missing, according to news reports.

Election in Finland

HELSINKI (AP) — Early results indicated losses for the governing coalition in municipal elections on Sunday, but Prime Minister Esko Aho said government policy would not change. With 43 percent of the vote counted, the center-right coalition was shown to have lost 2.5 percentage points compared with 1988 elections.

General News

Health care promises by both Bush and Clinton may be unrealistic. Page 3. Hong Kong's governor faces cool Beijing reception. Page 7. Business/Finance Trade officials expect a breakthrough soon on subsidies to farmers. Page 9. Big rally in Tokyo stocks would merely chip away at the ones. Page 12. Crossword Page 7.



BOSNIAN CASUALTY — Medics wheeling a wounded civilian into a Sarajevo hospital on Sunday. Despite heavy shelling, United Nations peacekeepers reopened the main road from the airport and relief supplies began flowing to the city again. Page 2.

Russian Sales Fuel Arms Race

By Michael R. Gordon New York Times Service WASHINGTON — In a move that is undercutting efforts to stem the spread of arms, Russia is selling missile-guidance technology, rocket engines and other advanced weapons systems to China, its one-time adversary, American officials say.

desperate need for hard currency, has led arms factories and military-related institutes to look abroad for orders to survive. At the same time, conversion of military industries to civilian production has proved difficult. In addition to weapons, a senior U.S. official said, Moscow is selling technology to the Chinese that can be used to enrich uranium.

Surge of Killing Shakes Israel

By Clyde Haberman New York Times Service JERUSALEM — The Israeli Army sealed off part of the West Bank on Sunday as the government wrestled with a sudden surge of killings that has raised fears of a full-blown revival of the Palestinian uprising.

period in the three months that Yitzhak Rabin has been prime minister, handing him the dual task of putting an end to the violence and of cooling down Israeli tempers, which have led to revenge attacks against Arabs entering Israel from the occupied territories. With Middle East peace negotiations scheduled to resume in Washington on Wednesday, Mr. Rabin

In Philippines' Thriving Ransom Industry, the Best Payers Are Chinese

By Philip Shenon New York Times Service MANILA — When the children in some Chinese-Filipino families here head for school, they are handed cellular phones along with their lunch boxes and are reminded to call home every hour. "My mom would have a heart attack if I didn't call," said one 10-year-old Manila boy, pulling a cellular phone from his pocket.

It may be a sign of the economic desperation here that one of the big growth industries here is kidnapping. The targets are usually members of the small but comparatively affluent population of Chinese-Filipinos, who have a reputation for paying large ransoms and keeping their mouths shut. "This is a transnational community," said Tereisa Ang See, editor of a Chinese-Filipino magazine and one of the few prominent Chinese-Filipinos to speak out. "You can call Chinese-Filipinos perfect victims because they don't talk."

Vice President Joseph Estrada, who heads the government effort to stop the abductions. A Manila newspaper reported the case of a kidnapping victim who, after his release, went to his local police station only to discover one of his abductors in a police uniform, talking to the chief. Because so few families report the abductions, the police acknowledge that they have no accurate figures on the number of recent kidnappings. Information gathered by Miss Ang See and her magazine, Tulay, suggests that there have been more than 140 kidnappings in the last 18 months, with most of the victims ethnic Chinese.

success in this impoverished country has bred anti-Chinese envy and hostility that may help explain why the Chinese remain so insular generations after many of their families arrived here. Panic among the ethnic Chinese spread rapidly last month after two Chinese-Filipino men, both 19, were kidnapped on their way home after a party. They were tortured and killed — one was beheaded — even after their parents paid nearly \$70,000 in ransom.

revive the economy of the Philippines, one of the poorest nations of Southeast Asia. Mr. Ramos took office only four months ago. "We're very concerned, and we are addressing the problem," he said in a recent interview. While he insisted that the kidnappings would prove to be a "transitory" problem, he conceded that foreign trade delegations were worried. Not only have the kidnappings scared off foreign investors, they have also led to an exodus of terrified Chinese-Filipino families. There are several flights a week from Manila to Xiamen, a booming city in southern China where many Chinese-Filipinos have made investments. The flights are booked up weeks in advance, reportedly by families seeking haven.

CAMPAIGN '92 / HOLES IN THE HEALTH PLANS

Health Insurance: Imprecision Makes Opponents Similar

of political economy at Princeton. "Politicians who articulate fully and forthrightly their ideas about reform of the health-care system run the risk of political self-immolation," he said.

Hordes of lobbyists for doctors, hospitals, drug companies and old people, are ready to challenge any proposal that cuts them. All proposals, as Mr. Reinhardt said, imply "some redistribution of privilege among Americans."

The proposals are drawing more attention than in the past because health care has, for the first time, emerged as a major issue in a presidential election, and because Congress is eager to tackle it.

Millions of people in middle-income families have either lost health insurance or fear they will lose it; many others find themselves paying large sums for insurance premiums and medical expenses not covered by insurance.

With costs rising twice as fast as other prices, health benefits are a central issue in most labor-management negotiations. Economists say workers eventually bear most of the cost of such benefits as health care consumes a bigger share of their total compensation package.

Both Mr. Bush and Mr. Clinton say they will make greater use of health maintenance organizations, which provide a wide range of medical services in return for a fixed monthly payment. Both endorse "managed competition" as a strategy to overhaul the health-care market. Under this concept, consumers would join large groups and be represented by a sophisticated buyer, known as a sponsor. The sponsors would encourage insurers, hospitals and doctors to compete for their business. In many cases that sponsor would be a health maintenance organization.

But there is a big difference. Mr. Clinton says such competition should occur within the framework of a comprehensive budget for all health-care spending, public and private. Mr. Bush favors stringent limits on federal spending for Medicare, Medicaid and other government benefit programs. But he insists that the government must not impose limits on private spending for health care.

The president contends that such limits will lead to the rationing of care, will slow medical innovation and reduce access to advanced technology that Americans now take for granted.



A Bush supporter, left, confronting a Clinton backer at a presidential rally in Edison, New Jersey.

Bush Faces Last Debate Amid Bleak Outlook

By Edward Walsh and Ann Devroy
Washington Post Service

WASHINGTON — The presidential campaign entered its climactic stage on Sunday with President George Bush facing what is widely regarded as his last, best hope of salvaging his presidency in the final debate with Governor Bill Clinton and the independent Ross Perot on Monday night in East Lansing, Michigan.

For Republicans, the political landscape going into the campaign's last two weeks is bleak. According to public opinion polls and the Clinton campaign manager, David Wilhelm, the Democratic nominee is ahead or competitive in every traditional battleground state, where presidential campaigns are decided. States where Mr. Clinton remains in the running include such historic Republican bastions in presidential elections as Florida and Mr. Bush's home state of Texas.

In other key states, among them California and Illinois, Mr. Clinton's lead appears to be almost insurmountable.

Against this backdrop, Mr. Clinton's strategy for the next two weeks is straightforward, according to his aides. His task, both in the debate Monday and in a whirlwind last stretch of campaigning, is to "provide reassurance to people who have basically turned off George Bush at this point, both his campaign and his presidency, but are still uncertain about Bill Clinton," Mr. Wilhelm said from Little Rock, Arkansas.

"There will be millions of voters watching the debate who have to a certain extent made that judgment of George Bush and will be watching Bill Clinton to see if he is ready from day one to be president," he added. "Is he in command? Does he command the stage?"

Mr. Clinton, speaking to reporters outside a church where he attended a service Sunday in Detroit, said he expected another personal assault from Mr. Bush and characterized it as "really sad to me."

"He can't run on his record or his vision for the future so all he can do is tear me down," he added.

In Washington, meanwhile, senior administration officials expressed exasperation at calls from Republicans around the country for the president to go sharply on the attack in the final debate. The officials arguing that while Mr. Bush would be more aggressive, attacks such as those launched by Vice President Dan Quayle in his debate were alien to Mr. Bush.

"He's not a pit bull, and if he tries to act like one, he'll just look ridiculous, and desperate," an administration official said.

But White House and campaign officials denied that the president had given up hope of a victory.

Bush campaign officials said their internal tracking continued to show small gains for Mr. Bush, based primarily on his raising of the character issue, and that he was less than 10 points behind.

But Clinton operatives disputed that assertion, and no public poll shows the margin that narrow. The latest, a CNN-USA Today poll issued Sunday, put Mr. Clinton's lead at 13 points.

A Republican who spoke with the president during the weekend described Mr. Bush as "determined to fight until the last vote is cast," but perplexed and downhearted that none of his efforts had produced much gain.

"On how George Bush," the Republican said, "he is not a quitter and never has been. But the last six weeks have shaken his confidence. He does not understand why nothing he tries works."

'Outsider' Theme in Senate Races But Strategy Isn't Foolproof in Open-Seat Contests

By Helen Dewar
Washington Post Service

WASHINGTON — Following is a summary of how open-seat races for the U.S. Senate are shaping up:

California: In the race for the seat being vacated by the Democrat Alan Cranston, the commanding lead held by Representative Barbara Boxer, a Democrat, since her surprisingly strong primary victory in August has withered. She is still regarded as the favorite to defeat Bruce Herschensohn, a Los Angeles television commentator. Ms. Boxer's lead was cut by half after Mr. Herschensohn ran a barrage of advertisements focusing on congressional perks, including her 143 house bank overdrafts.

Colorado: Terry Cosentino, a former Republican state senator and leader of the state's term-limit movement, was knocked off stride when Senator Timothy E. Wirth, a Democrat, decided not to seek a second term. Mr. Cosentino now faces Representative Ben Nighthorse Campbell, a more conservative Democrat. Mr. Campbell's unorthodox and highly individualistic résumé — he makes jewelry, wears his hair in a ponytail and he would be the Senate's only member with an Indian heritage — complicates this year's favorite anti-insider strategy for challengers. His big early lead has narrowed, but he remains the favorite.

Idaho: Although it has not decided a Democratic senator in 18 years, Idaho is staging one of the country's closest races for the seat being vacated by Steven D. Symms, a Republican who appeared vulnerable to personal as well as political attacks before he decided to step down after two terms. The Republican mayor of Boise, Dirk Kempthorne, has been running a steady but small lead over Representative Richard H. Stallings, a Democrat.

Illinois: In one of the biggest electoral surprises this year, Carol Mosley Braun, a Democrat, catapulted over two white male opponents to win the Democratic nomination in March, defeating the incumbent, Alan J. Dixon. For the next six months, she soared over her Republican opponent, Richard Williamson, a former Reagan administration aide. But she recently stumbled over a controversy involving her handling of a royalty payment to her mother, whose care in a nursing home is being financed by Medicaid. Polls indicate that the race has tightened.

North Dakota: Senator G. Kent Conrad, who is running in a December special election to fill the seat vacated by the death of Senator Quentin N. Burdick, and Representative Byron L. Dorgan, a six-term Democrat, who is running for Mr. Conrad's old seat, have commanding leads over their Republican rivals.

Utah: Democrats look longingly at Representative Wayne Owens as a long-shot prospect to succeed Senator Jake Garn, a retiring Republican, but Robert Bennett, a wealthy Republican businessman who upset the favorite for the party's nomination, is running strong on a classic anti-insider "outsider" theme. The latest poll shows Mr. Bennett, the son of a former Utah senator, Wallace F. Bennett, running about 20 points ahead of Mr. Owens.

Washington: The self-styled "mom in tennis shoes," Patty Murray, a Democratic state senator, is hanging in there. She is holding a diminished but still substantial lead over Representative Rod D. Chandler, a Republican, for the seat being vacated by Brock Adams.

ELECTION NOTES

Perot Hides Airwaves, If Not Campaign Trail

WASHINGTON — Ross Perot held forth on network television over the weekend, pointing idealized Norman Rockwell pictures of a idyllic Texarkana childhood in which he sold garden seeds, bought trees and delivered newspapers.

It was an hourlong "Infomercial" on ABC, a \$540,000 advertisement purchased by the billionaire as part of a presidential campaign which he has made no speeches and held no news conferences.

In "A Conversation with Ross Perot," Murphy Martin, a longtime friend and former Dallas newscaster, served up friendly questions that allowed Mr. Perot to ramble at length, with his discourses illustrated by black-and-white photographs. The glib tone of the interview may feed suspicions that Mr. Perot's current advertising blitz — estimated by the Dallas Morning News to cost \$15 million — may be aimed more at repairing his reputation than winning an election.

Mr. Perot described his mother as a "saint," his sister as "the perfect child" and his father as "my best friend," a cotton broker who sold his horse to buy the children Christmas presents. (WP)

Millionaire Fixes the Focus on Fiscal Issues

LOS ANGELES — With little more than two weeks left in the presidential campaign, Mr. Perot appears to be having a bigger impact on the political process than he may have on the outcome of an election.

For now, his campaign has forced President George Bush and Governor Bill Clinton to focus more of their attention on fiscal issues. Mr. Perot's presence at Thursday night's debate caused Mr. Bush and Mr. Clinton to engage in a serious discussion of the economy, according to aides to the major-party candidates.

"Perot is refocusing the attention on the issues facing this nation," said Avis LaValle, a Clinton spokeswoman. Torie Clarke, Mr. Bush's spokeswoman, said: "Perot has shifted the debate from the state of the economy to what are you going to do about it. And that gives us more of an opening to talk about our programs vs. Clinton's."

In the longer term, even if he fails to have a big impact in the November balloting, Mr. Perot is expected to remain a gadfly on the national scene who could help create support for deficit-cutting measures by the next president and the new Congress. "He's earned the right to be a national kibitzer," said Doug Bailey, a veteran Republican political consultant. (LAT)

Is Clinton a Bush Clone in Foreign Affairs?

WASHINGTON — As president, Bill Clinton says that he would transform U.S. foreign policy by making economic competitiveness the main goal, cracking down on foreign barriers to U.S. exports and promoting democracy's spread around the world.

Yet, on specific policies, a President Clinton might not be so different from the man he seeks to replace. He endorses much of the Bush administration's drive for free trade, pledges to continue talks toward peace in the Middle East, and generally holds to the centrist mainstream on other issues.

"Their deeper philosophical roots may be different," says John Steinbruner, a foreign policy scholar at the Brookings Institution. "But translated into immediate choices, it's pretty marginal."

The seeming paradox reflects the confusing reality of the post-Cold War world: Old issues of anti-communism and military intervention, part of every presidential campaign since 1948, have receded. Instead, the presidential candidates are vying to sell their remedies for a recession-wracked economy — and foreign policy, for the moment, has become little more than an adjunct to fiscal policy.

Mr. Clinton and his aides say that they will remake U.S. foreign policy to focus on American economic interests first and move away from the Bush administration's concentration on global political stability. Mr. Bush says that he, too, considers economic competition "the defining challenge" of the decade. But it is a theme the president took up only recently, after years of emphasizing more traditional diplomacy. (LAT)

In Letter to Ann Landers, Bush Defends Veto

CHICAGO — It sounds like material for a comedy skit: President George Bush has written to the advice columnist, Ann Landers.

Mr. Bush defended his recent veto of the family leave bill in a letter published in her Sunday column.

The president's letter was prompted by a Sept. 14 column that featured letters from parents who favored legislation to require large employers to give workers up to 12 weeks of unpaid leave a year for illnesses, births, adoptions and other family emergencies.

A working mother in Silver Spring, Maryland, asked Miss Landers to urge Mr. Bush to sign the Family and Medical Leave Act, and Miss Landers agreed with her.

In his "Dear Ann Landers" letter, Mr. Bush said he was disappointed that the columnist had "told only one side of the story."

"I strongly support family leave — the ability to take time off for a birth, an adoption, or to tend to a sick family member," Mr. Bush wrote. "But the real question is how to achieve that goal."

Mr. Bush said he vetoed the legislation because he opposed government mandates in favor of incentives to encourage employers to do the right thing. (UPI)

In Past, Most Platforms Neglected God

NEW YORK — When Albert J. Mendez heard President Bush chide the Democrats in August for failing to mention God in their party's 1992 platform, he thought it a strange test in a nation whose guiding principles include the separation of church and state.

So Mr. Mendez, a researcher, began to read the Republican and Democratic platforms of the last 136 years, looking for references to the Creator and Divine Providence, too.

He found the words absent from the platforms of both parties far more than it was present. In fact, of the 70 platforms, only 16 mentioned the deity. Three-quarters of those references came in Republican platforms, and all 16 were made in the last 50 years.

God has been a regular in the Republican platforms during the Reagan and Bush years. In 1972, when Richard Nixon ran for reelection, there was no mention of Him. The last time God showed up in a Democratic platform was in 1960, when the platform referred to "God's earth."

The deity played little role in the early days of either party. Until 1944 there was only one oblique reference in Republican platforms — that was to "Providence" in 1876. The Democrats did not invoke God's name until 1924 in a reference to Latin America. "God has made us neighbors," the platform said. Mr. Bush's assertion that the Democrats this year "left out three simple letters: G, O, D," could have been applied to the Republican platform in 1860, when Lincoln carried the party's banner to its first Presidential victory. (NYT)

Quote-Unquote

Al Gore, Mr. Clinton's running mate, noted that the presidential race, like opera, "isn't over 'til the fat lady sings" but added: "The fat lady hasn't sung yet. But I believe I hear her warming up." (AP)

Away From the Hustings

Chair E. George, a former official of the CIA, will go on trial for a second time Monday on charges he lied to Congress about his knowledge of arms sales to Iran and military aid to the Nicaraguan rebels. In his first trial, a majority of jurors voted to acquit.

A TWA flight from New York to Atlanta died 20,000 feet (6,100 meters) in about four minutes Saturday after the jet lost cabin pressure. None of the 79 people aboard Flight 191 was injured and the Boeing 737 landed safely on schedule.

Federal prosecutors are not pursuing as many as half of bank fraud cases at a time when the FBI received of such investigations is increasing, according to a General Accounting Office report released Sunday, and Representative Bob Wise, Democrat of West Virginia, said the figure suggested that the Bush administration's commitment to fighting white collar crime was insufficient.

Five people were slain in Washington, D.C., on a day when hundreds of religious leaders and community activists marched in several parts of the city in a call for a 48-hour moratorium on violence. Despite the carnage, the rate of homicides in the nation's capital is down from last year.

Astronauts will launch an Italian laser-reflecting satellite and test a triaxial robotic vision system when the 51st space shuttle mission begins later this week.

A man who took a vow of poverty 54 years ago has won \$1 million in lottery organized by the state of California. Sister Josephine Curtis, 71, said the money would go to the retirement home run by her order, the Sisters of Saint Francis in Sacramento. (AFP, AP, WP, NYT)

HOPE: Republican Mode

(Continued from page 1)

widely held by pundits and political professionals, that Mr. Bush was not meeting the needs of the moment in the debates, occasional, by seemed off his game and was not behaving with the aggressiveness his supporters yearned for.

Ms. Matzlin assails those who say that Mr. Bush does not seem committed to running flat out.

"The people who are anonymously appearing in these stories are the lowest form of life," she said. "He has never, never in my presence shown any signs of backing down or resignation. He remains confident and serene."

But anxiety is high among Republicans who are focused on races below the presidential level and includes the fear that Mr. Bush will be written off in the final days of the campaign.

"If there is a sense out there on or around Nov. 3 that George Bush can't win, I really worry about what can happen to us on turnout," said Eddie Mabe, a veteran Republican political consultant. "We all lived through '74. Republicans didn't vote in '74. Republicans don't switch, they stay home."

The Democrats were an emotional mirror image of the Republicans over the weekend, revealing that the debates seem to have left Mr. Clinton's status as the front-runner intact, but almost suspiciously fearing to look ahead two weeks.

A Look at Clinton as Mediator He Offered Tax Breaks to Keep a Company in Arkansas

By David Maraniss
Washington Post Service

LITTLE ROCK, Arkansas — One day in 1985, Governor Bill Clinton telephoned the chairman of International Paper Co. at its corporate headquarters in New York and spent an hour hashing out details of a huge tax break designed to deter the company from moving its operations out of Pine Bluff and Camden, mill towns in south Arkansas.

As Mr. Clinton worked the long-distance deal from the Arkansas capital, he was flanked by an economic development aide urging him to strike the bargain and a budget analyst pleading, "Don't give up the store."

The wrangling by International Paper had come at a bad time for Mr. Clinton, who was drafting an economic package aimed at pulling his rural state out of a recession that had resulted in a 10.1 percent unemployment rate in 1983.

As well, about 35 percent of the Arkansas work force was functionally illiterate and more than half the residents had not been graduated from high school.

How Mr. Clinton responded to that economic predicament offers several clues to how he might proceed over the national economy if he reaches the White House.

In his five terms as governor, Mr. Clinton has displayed a hands-on approach as bargainer and mediator and a belief in public-private industrial policy. He has often equivocated between pursuing long-term remedies or short-term benefits, shown a propensity to direct tax initiatives toward what he views as the economic stopping stones of education and transportation, and demonstrated a readiness to trade corporate tax breaks for job growth.

Many of those traits came into play during the International Paper crisis.

His key economic development adviser, Dave Harrington, had worked out a "failure model" that indicated that the state economy would suffer a \$450 million-a-year loss if International Paper closed the Camden plant. He recommended that Mr. Clinton offer the company a 5 percent sales tax exemption spread over several years if it expanded the Pine Bluff plant by \$5 million or more.

Mahlon Martin, Mr. Clinton's budget director, worried about the impact on the state budget. Whatever deal was struck with International Paper, he noted, would have to be extended to other industries that met the same guidelines. The revenue system already was riddled with business tax breaks that prevented the state from collecting millions of dollars in taxes.

Mr. Clinton chose the tax break route. In his bargaining with the paper company, he accepted a 7 percent manufacturer's investment sales tax credit — 2 percent higher than Mr. Harrington had recommended — but in return won a promise that the company would modernize the Pine Bluff plant and not close the Camden facility for at least two years. The paper company would spend \$278 million on the Pine Bluff plant; the facility in Camden is still operating.

Seven years later, Mr. Harrington, director of the Arkansas Industrial Development Commission, and Mr. Martin, who left the state government to run the Winthrop Rockefeller Foundation, still disagree on the merits of the deal.

"The tax credit led to the modernization of industry in the state of Arkansas, which is one reason why we're in better shape than many other states today," Mr. Harrington said.

Mr. Martin differs. "We almost gave away the store to major industries," he said, noting that after the tax break was enacted by the legislature in 1985, the state had to cut spending for six consecutive quarters to balance the books.

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INTERNATIONAL **Herald Tribune**

A Reminder to Disarm

Ross Perot and Bill Clinton are right to remind George Bush that he has not yet rid the world of Russia's most dangerous nuclear weapons. Given the disarray in Russia, merely reaching agreement to cut nuclear arms is not enough; it is necessary to begin disarming.

meet the lower ceilings without having to restructure their nuclear forces by building costly new silos and missiles. Once Washington is satisfied that these are the only changes Moscow wants, a satisfactory accommodation can be reached.

Deadline in Cambodia

Faced with a delicate test of its credibility, the United Nations Security Council made exactly the right call on Cambodia last week. The Khmer Rouge faction has been openly defying the peace treaty it signed last year by refusing to demobilize its guerrillas and barring UN monitoring and voter registration teams from areas it controls.

fighters are genocidal murderers; and international cooperation offers the best hope of containing those who are. Cambodia has been at war for decades. Some now in Khmer Rouge ranks are there mainly by accidents of geography or imperatives of physical survival.

Yes, Address the Issues

It is not always true that the people are ahead of the politicians, but it was at the second American presidential debate Thursday night. The serious studio audience of undecided stand-ins for a part of the electorate that plainly feels itself deserted rebuked all three of the candidates for the quality of the campaign thus far. In doing so they performed a service.

come taxes, a gasoline tax increase, a cap on the mortgage interest deduction, taxation of a larger share of Social Security benefits. Others are still pretty vague, as when he discusses health care. But he performs a useful service even at this late date in describing and helping to legitimize the kind of steps that sooner or later the government will have to take.

The complaint of the audience had to do in part, but only in part, with negative campaigning. Thus one early questioner drew a distinction between the public's needs for better housing, crime control, "you name it," as distinct from what he called "the wants of your political spin doctors and your political parties."

Bill Clinton remains in our view the most seriously substantive of the candidates, a policy wonk, as we have said before; Thursday night was made to order for him. But he, too, has a problem on this score, which will be all the greater if the election times the polls for the next two weeks and wins.

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He Returned 'With More Courage to Go On Fighting'

By Rigoberta Menchu

I AM A NATIVE of the Quiche people of Guatemala. My life has been a long one. Things have happened to me as in a movie. My parents were killed in the repression. I have hardly any relatives living. It has been the lot of many, many Guatemalans.

By Rigoberta Menchu
The writer received the Nobel Peace Prize on Friday for her fight on behalf of Indians and human rights in Guatemala. This text is adapted from an autobiographical chapter in "You Can't Drown the Fire: Latin American Women Writing in Exile," published in 1989.

My father was imprisoned many times. First he was accused of causing unrest among the population. When he was in jail, the army kicked us out of our houses. They burned our clay pots. It was really hard for us to understand this situation.

truck arrived with 20 people who had been tortured in different ways. Among them we recognized my brother. We had to clean my mother down, telling her that if she gave herself away she was going to die right there for being family of a guerrilla.

Why This Conservative Isn't Sure He Can Vote for Bush

By William Safire

WASHINGTON—Ambiguity is not my thing; I am of two minds about even using the word "ambivalent." Yet here I am, a life-long Republican, a card-carrying conservative, a right-wing pundit with four square opinions on anything you can name—with scarcely two weeks to go before a national election—and not yet sure about which hole in the card to punch for president.

right is this: Republicans assume that in his heart he is a moderate, a centrist—words that fall gently on the ears of independent voters, but which to even the reasonable right men "bussing pragmatist devoid of principle."

that here at home the president was inattentive, causing the deficit to swell despite the tax increase. But if Scardot O'Hara had it right, if "tomorrow is another day," can we expect a better four years ahead if Mr. Bush is returned to office?

streamers in 1992? Mr. Bush's too occasional sense of purpose at home and abroad, which is giving conservatism a bad record, and his gamble that we will put him back to us.

At the same time, in his efforts to win over a far-right base that has never been his own, Mr. Bush approves (but claims not to have read) the uncompromising platform demanded by evangelical activists and—at the crucial kickoff of the campaign—sent out exclusionary signals under the rubric of "family values" that infuriated the main body of the party.

Nobody ever says 'Let Bush be Bush' because nobody can be sure what that would be.

We are torn between loyalty and ideology, habit and irritation, and could go either way.

more years of the same foreign policy that does business-as-usual with dictators and shies from creating an international "right to intervene" when tyrants wage war on dissidents?

He Already Talks Like a Past President

By Jim Hoagland

WASHINGTON—The future began in Richmond, Virginia, on Thursday. George Bush has joined pollsters and pundits in concluding that he has lost this election. He now seeks to preserve history's judgment on his presidency rather than sway the electorate's judgment on a new term.

trade and opening up foreign markets to make the United States an "export superpower." But he was knowingly swimming against a tide of public disinterest in his efforts in the Uruguay Round of GATT and for the North American Free Trade Agreement.

What alienates Republican main-

engagements, a portion of the German fleet is now stationed at the southern entrance to Moon Sound, between Oesel and the Estonian coast. As many as 53 German units have been counted by the Russians. It is presumed that they have sufficient forces to hold the exits to the Baltic.

Other Comment

Accounts in South Africa

The Indemnity Bill now shuffling its way through Parliament has all the hallmarks of the National Party of late: expedience, appeasement and shortsightedness. The measure [provides that] perpetrators of even the most grotesque political violence in the past need not have their crimes publicly noted. To most people it looks sleazy. True, there can be no Nuremberg trials in a future South Africa. The fragile compromises on which a new government will have to survive would be shattered in the process. But there has to be a public accounting of some sort for the atrocities committed in the name of ideology in recent years—by all parties.

This president cares about his role in concluding the Uruguay Round.

As I watched, I remembered what one European head of state who held a long private conversation with Mr. Bush near the beginning of his term told me: that the "sticking thing" about the president was his enormous interest in and knowledge of history. Mr. Bush's detailed observations about the history of Europe and the Middle East came not from briefing books, this leader was convinced, but from genuine study and interest.

1892: Bokhara Survivors

HONG KONG—Survivors of the ill-fated Bokhara, which was lost upon Sand Island while on voyage from Shanghai to Hong Kong, arrived here today [Oct. 18]. They state that the vessel encountered a furious gale; the sea ran mountains high, finally capsizing the engine-room first. Rescued quite safely, the Bokhara drifted towards Sand Island, upon which she struck and sank immediately. All on board were lost, except two of the European and sixteen of the native crew. Altogether 125 persons perished.

1942: Women Wanted

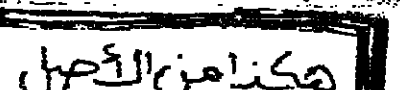
WASHINGTON—[From our New York edition:] The chairman of the War Manpower Commission called today [Oct. 19] for intensified recruiting and training of women workers on a voluntary basis in all phases of war production and essential civilian activities. He also demands that management and labor organizations remove all barriers against the employment of women in any occupations for which they are or can be fitted. Women should also be admitted on a basis of equality with men to all forms of training, including the need for women workers' training greatly from one community to another, he insisted.

1917: Baltic Exits Held

RIGA—German land forces having completed the occupation of the island Oesel, in the entrance to the Gulf of Riga, the enemy fleet is now throwing a sordid array of warships around the group of islands off the Russian mainland. As a result of naval operations involving several hot

IN OUR PAGES: 100, 75 AND 50 YEARS AGO

engagements, a portion of the German fleet is now stationed at the southern entrance to Moon Sound, between Oesel and the Estonian coast. As many as 53 German units have been counted by the Russians. It is presumed that they have sufficient forces to hold the exits to the Baltic.



OPINION

Foreign Policy Has a Bad Name

By Leslie H. Gelb

NEW YORK — No wonder Americans don't want to ask questions about foreign policy or even hear about it anymore. It is just that the Cold War is over and their lives at home have soured. Foreign policy turns them off. As practiced by presidents and their minions for more than two decades, foreign policy seems to have produced endless trouble:

How can Americans trust these people?

Scandals from Watergate to Iraqgate, fodder for political trashing, smoke screens for domestic failures, enervating hypocrisy, billions of wasted dollars, plus lies and sad Americans.

Foreign policy has become synonymous with scandal. Since the Nixon years, every major government outrage has had its roots in partisan foreign policy disputes.

Watergate sprang ultimately from Vietnam. The Nixon administration had an uncontrollable lust to spy on and destroy Vietnam War dissenters. The Iran-contra af-

fair arose because Reagan's true believers were hell-bent on finding a way around congressional restrictions on arming the anti-Communist Nicaraguan rebels. Iraqgate, now rising from the glorious ashes of Desert Storm, begins to look like a Bush administration cover-up of its aid to Saddam Hussein before his attack on Kuwait.

Foreign policy has turned presidents into liars. It is almost impossible to believe, for example, that President Ronald Reagan and Vice President George Bush did not lie about the Iran-contra scandal. How could they not know in 1986 that their aides were trading arms to Iran for Americans held hostage in Lebanon, and using the profits to finance the Contras?

Lies about national security affairs have become so routine that Americans no longer seem interested in the truth. Perhaps they think the truth is that everybody is lying.

They don't want to listen to another word from Mr. Bush about Bill Clinton's avoiding the Viet-

nam draft. They correctly see this trashing as a ploy by the Bush team to avoid talking about a dismal economic record. Nor can Americans bear another Clinton "explanation" of his draft history.

The politics of foreign policy has destroyed institutions, most notably the CIA. It has secret power and therefore a sacred trust to be above reproach, above politics. Time and again it has dishonored that trust. It has done so once again in the unfolding Iraqgate story. CIA officials have admitted withholding vital information from the court in the trial of a bank executive for making illegal loans to Iraq. According to the agency, the Justice Department told it to withhold this evidence.

How can Americans possibly trust these people, these once sacred institutions?

Even the State Department, which traditionally sidestepped election-year manure, has now got into the act. Republican right-wingers simulated press inquiries about Mr. Clinton's student days abroad during the Vietnam War. To get that information "for the press" before the election, the department violated every rule of decency and its own strict procedures. Its apology means little now. That venerated institution has been compromised.

Presidents have so often abused the national interest for their own political ends that Americans hardly blink at the practice any longer. In one breath, Mr. Bush wisely said he would cut back on dangerous arms sales to the Middle East. In the next, he sold billions of dollars in new arms to Saudi Arabia and Kuwait. He also recently broke a solemn pledge to China and made massive new arms sales to Taiwan. Worried about jobs, even Mr. Clinton kept his mouth shut.

Did President Reagan make war on Grenada to save American lives or to blot out the story of U.S. Marines killed by terrorists in Lebanon? Did President Bush invade Panama for necessary national security reasons or to make himself look good at home? Is he shrinking from humanitarian duty to stop the slaughter in Bosnia mainly for fear that military intervention would cost him votes? What has become of foreign policy that Americans even ask such questions?

No wonder people hardly question the candidates about international affairs. For so long now have politicians and foreign policy experts treated this always tricky enterprise as a political game and a blood sport that Americans no longer see the national interest — and have lost interest.

Their Mud Will Stick To Clinton

By Lou Cannon

LOS ANGELES — The hidden danger for Bill Clinton in the repeated Republican attacks on his draft record and veracity is not that they will keep him out of the White House but that they will damage his capacity to govern.

Repetitive political labels have a habit of sticking, particularly when there is a grain of truth to them. Lyndon Johnson was dogged by suspicions that he was a political wheeler-dealer even when he was acting high-mindedly. Richard Nixon never escaped his hard-earned reputation as "Tricky Dick," and a majority of Americans accepted the darkest explanations of his conduct as the Watergate scandal unfolded.

Ronald Reagan successfully deflected accusations that he was a potential "mad bomber" during the 1980 campaign, but his strategists found it necessary four years later to dampen the same fears.

George Bush's abandonment of his "Read my lips" pledge not to raise taxes has been an enduring symbol of broken political promises. The Democrats have cynically exploited this issue, inasmuch as Mr. Bush broke his pledge by agreeing to a Democratic compromise that lowered taxes on the poor and raised them on the rich. But Mr. Bush does not seem to stand for anything, as Mr. Reagan said privately at the onset of the campaign, and Americans are prepared to believe the worst about him.

Mr. Bush's campaign operatives knew they were selling damaged goods. With a cynicism that outstripped even Mr. Clinton's managers, they adopted the strategy of raising every imaginable doubt about the Democratic nominee's personal character in an effort to make him unpalatable to the voters.

Americans are too recession-damaged and frightened of the future to be diverted from voting out the president by a discussion of Mr. Clinton's youthful escapades. But Mr. Clinton has given far too many explanations of his conduct for a neutral observer to be comfortable with any one of them. The label "Slick Willie" clings to him, even if written in invisible ink.

"Nothing passes," Chekhov wrote, expressing the view that all actions have consequence and are remembered in strange and telling ways long after they occur. This insight applies with special force to American presidents, who embody the hopes and fears of a nation.



George Bush by GEM, CAW Studios.

The New York Times

The Washington Post



An open letter to the Secretary-General of the United Nations.

Dear Mr. Secretary-General,

In a rapidly changing world, the U.N. is playing an increasingly resurgent role. Daily, the U.N. works on a variety of tasks: peace and conflict resolution, humanitarian and disaster relief, improvement of health of the Earth's environment and its population, relief of refugees. All the more reason, Mr. Secretary-General, for an efficient and competent staff, as you have said. But something is terribly wrong.

Just when we thought it was respectable again to work at the U.N. or one of its 20 related agencies, you, Mr. Secretary-General, declare that many staff do not work. We hope these statements were not based on gossip, hearsay and political pressure from large donor countries, and that you can offer some hard evidence.

Sadly, however, we believe you can't. And that is why we consider your comment intolerable, incorrect and out of line with what a good manager would say.

The Staff of the U.N. does work and it works hard. Under the circumstances, many risk their lives daily to better the lives of others.

For U.N. staff, it has been a deadly year. Violence and attacks have killed 10 U.N. staff in such scattered areas as Afghanistan, Cambodia, Croatia, Ethiopia, Iraq, Kenya, Lebanon, Somalia, and Sudan. Many U.N. staff have been injured in the line of duty. In all, over 30 U.N. staff have been killed since 1973. Dozens are detained in countries around the world. Five have been abducted and are believed held as hostages. One U.N. staff person has been missing since 1978.

Yet our work continues. Indeed, around the world, 24-hours a day, the U.N. provides a "lifeline" for millions of people: refugees, sick and dying children, oppressed peoples, people denied their human rights. When conflict erupts, refugees flee, or relief arrives, the U.N. is there. And everywhere the U.N. works, it needs staff.

That's why we agree, Mr. Secretary-General, with your statement that "the paramount consideration in the employment of staff must be the need to secure the highest standards of efficiency, competence and integrity." We fully endorse your comment, Mr. Secretary-General, that "in order to attract and retain staff of such caliber, the organizations must be able to offer them adequate remuneration and other conditions of service." And we fully concur that this ideal is "still far from being realized."

You have stated that "over the past several years, the conditions of service in the United Nations system had been steadily eroded and had lost their attractiveness and competitiveness vis-a-vis those of outside labor markets, including some other intergovernmental organizations." Like you, Mr. Secretary-General, we believe this is "especially paradoxical at a time of renaissance for the United Nations, when the organizations of the United Nations common system were being requested to play an increasingly important role in solving international problems."

Mr. Secretary-General, we agree that the remuneration system of the U.N. must be "remedied on an urgent basis." How urgent? Recruiting and retaining high quality staff is already tough because the salaries and pensions, particularly for technical experts, lag some 30% behind the U.S. private sector. And why should we earn less than other international organizations such as the World Bank, the Organization for Economic Cooperation and Development and the European Communities?

We know some Member States haven't paid their assessments—arguing that some staff don't work. And we also know some Member States say economic times are hard. But this doesn't really cut the mustard. The assessment being requested are small compared to global spending on other issues. And these same Member States always seem to find funds for the World Bank, the International Monetary Fund, and the European Communities.

It doesn't help if you go along with these arguments. Especially now, which we see as a pivotal moment in the future of the U.N. The International Civil Service Commission (ICSC), in its report to the U.N. General Assembly, has chosen to ignore your own specific requests regarding the inadequate levels of salaries and pensions of professional staff and will recommend changes in the way salaries and pensions of general service staff are calculated, sending them plunging.

It is after all staff who make the U.N. work. But without good staff, how can the U.N. continue to develop badly-needed new programs? Any effective manager knows, Mr. Secretary-General, how good staff will react to bad salaries and pensions. So how do we continue to provide good staff for the U.N.?

If you mean what you say, Mr. Secretary-General, you'll agree that the Commission's recommendations will seriously hobble your efforts to forge a new, improved U.N. How many staff—already underpaid and under appreciated—may leave the U.N., taking their experience with them, to avoid being accused of incompetence or laziness?

The 32,000-member Federation of International Civil Servants' Associations (FICSA) joins you in working for an improved and effective U.N. Yes, by all means let's eliminate the dead wood. But more important, let's improve the conditions of service and make the U.N. system a competitive employer again. All we ask is that we be brought up to a competitive level of employment. Speak out in favor of the staff who get the work done. Show us you mean what you say when you declare "the organization has one wealth: you." We couldn't agree more. But when you will speak to the U.N. General Assembly in November, will you agree with your own words?

Edward J. Freeman, President
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220 East 42nd Street
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New York, New York 10017
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A supporter of the ruling party in Luanda cheering his side's majority in Angola's first free elections.

Top Rivals Square Off In Angolan 2d Round

By Kenneth B. Noble
New York Times Service

LUANDA, Angola — Nearly two weeks after Angola's first democratic elections, and with the country's stability hanging in the balance, official final results of the vote have been released. As expected, they show the two main rivals for the presidency will have to compete again in a runoff.

Jose Eduardo dos Santos, the candidate of the leftist governing party, registered a surprisingly sturdy victory with 49.6 percent of the vote, but he failed to win 50 percent, enough to avoid a runoff with the second-placed finisher. A runoff date has not been set.

Well behind was the former American-backed rebel leader, Jonas Savimbi, with 40.1 percent. Another former leader of an Angolan guerrilla movement, Holden Roberto, won only 2.2 percent. The rest of the vote was divided among eight minor candidates.

In the parliamentary elections, the governing party, the Popular Movement for the Liberation of Angola, won a comfortable victory, with nearly 54 percent of the vote, compared with 30.1 percent for Mr. Savimbi's party, the Union for the Total Independence of Angola, popularly known by its initials in Portuguese as UNITA.

Until now, Angolans have been relatively subdued as they awaited the final results, but with the release of the news on Saturday came an eruption of energy as people ran about waving banners and cars creased their horns blowing. During the celebration, gunfire broke out and two people in a motorcycle of supporters of the ruling party were shot and killed outside a hotel where UNITA officials were staying. It was not immediately clear what caused the incident, but UNITA supporters were suspected of being the gunman.

State radio announced that heavy fighting had erupted in the central highlands town of Huambo, UNITA's ethnic stronghold, where Mr. Savimbi and most of his senior lieutenants have recently been staying. Details were sketchy, and it was not clear who was fighting whom. The report of the fighting could not be independently confirmed.

Within hours of the end of last month's balloting, Mr. Savimbi raised tension when he asserted that the elections were rigged. He threatened to return the country to civil war.

He accused the governing party of trickery, including vote-buying, fake registration, beatings of election monitors and police harassment of voters. The accusations of fraud, most of them difficult to confirm and some surely exaggerated, were nonetheless accepted by UNITA loyalists.

But international observers have said that although there were some irregularities, the elections generally were conducted fairly.

CIA Leader Sets Accord In Moscow

By Margaret Shapiro
Washington Post Service

MOSCOW — The CIA and the Russian intelligence service, for decades archenemies, may work together to stop the spread of nuclear weapons and to fight organized crime, drug smuggling and terrorism, the U.S. Embassy in Moscow said Sunday.

In a statement issued at the conclusion of an unprecedented trip here by Robert M. Gates, director of central intelligence, the embassy reported that "the possibility of contact and joint activity between the Russian and American intelligence services were discussed. The talks were cordial and both sides were satisfied with the results."

Mr. Gates, the first CIA director to visit Moscow, spent three days here, meeting with President Boris N. Yeltsin, the foreign intelligence chief, Yevgeny M. Primakov, the head of Russian military intelligence, Lieutenant General Fyodor Ladygin and other military officials, according to the statement.

Except for the statement, little was revealed by either side about Mr. Gates' visit, which followed similar secretive stopovers in Warsaw and Budapest. Since the crumbling of the Soviet Union, CIA analysts and others have been welcomed here for discussion as the Russian service has sought to rework its image at home and abroad.

The idea of cooperative efforts to combat drug smuggling and terrorism, both of which are on the rise in this area of the world, have been discussed in the past by the two agencies. But the statement Sunday, including unclear nonproliferation and organized crime, indicated the possibility of broad-based cooperation on issues of growing mutual concern.

Nuclear nonproliferation, in particular, has been much emphasized by U.S. officials visiting the former Soviet Union, because they fear that control over the huge former Soviet arsenal could be lost. In addition, military high technology is one of the few areas in which Russia is competitive with the United States worldwide.

Mubarak to Quake Victims: Be Patient

CAIRO — President Hosni Mubarak warned earthquake victims on Sunday against street protests, saying "loud voices" would not influence government relief operations.

Speaking after protests by homeless people boiled over into a riot in Cairo on Saturday night, Mr. Mubarak said that everyone would receive shelter but that the process could take four to six weeks.

"We should be patient," Mr. Mubarak said. "Marches and loud voices will not prevent us from proceeding along the road drawn by the state to solve the problem."

But people waiting for assistance outside government offices after the quake last Monday, which killed 541 people and left thousands homeless, said the government was ignoring them.

"We would like the president to come down on the streets and see what the state of people is like," said Ahmed Salim, a father of six.

Riot police kept a close watch on Cairo after the street protests on Saturday, in which officers said some 25 to 50 people had been arrested. Armored trucks and vehicles packed with riot police were poised at major intersections in Boulak, where the police fired tear gas on Saturday night to scatter youths throwing stones.

Streets were crowded with normal traffic Sunday, and the only signs of the riots were three smashed traffic lights and burn marks on streets.

Mr. Salim said the Muslim Brotherhood, a fundamentalist group credited by many Egyptians with responding faster to the needs of earthquake victims than the government, had promised to help.

The government accused "extremist elements" — its terms for Muslim fundamentalists — of trying to incite riots after the quake.

Prime Minister Ataf Sedki said Saturday that all the homeless would be off the streets within three or four days.

But some people are refusing temporary accommodation in youth centers and tents, and are demanding immediate rehousing in apartments in new satellite towns outside Cairo.



BRANDT RITES AT REICHSTAG — The coffin of the former Social Democratic chancellor, Willy Brandt, being carried from the Reichstag in Berlin after a state funeral. In the front row of mourners, from left, Jacques Delors, chairman of the EC Commission; Germany's Social Democratic Party chairman, Björn Engholm; Prime Minister Felipe Gonzalez of Spain, and Mayor Eberhard Diepgen of Berlin. Mr. Brandt, who was chancellor of West Germany from 1969 to 1974, died on Oct. 8 at 78.

In The Mind of a Terrorist

ANC Bomber Tells of Planning '86 Beachfront Attack

By Bill Keller
New York Times Service

JOHANNESBURG — "So now tell me, what do you think about me?" asked the bomber, his dark eyes challenging through round tortoise-shell frames. This is a question South Africans often pose in one form or another after endeavoring to make themselves understood to outsiders.

Robert McBride, one of the most famous saboteurs in the future military underground of the African National Congress, works harder than most South Africans to explain himself, since he finds that for those outside the liberation fraternity what he did surprises understanding.

What he did is this: In June 1986, he taped together more than 100 pounds of explosives, attaching a mine with a 15-minute timer as his trigger and swaddling this propulsive charge with bags of machine-gun bullets and metal scraps for shrapnel. He secreted his lethal contraption in the spare-wheel well of a powder-blue Ford Cortina, which he parked one Saturday night on a crowded beachfront esplanade in Durban.

The bomber was out of earshot when his device exploded into two busy white bays called Maggo's and the Why Not, killing three women, wounding 69 people, and inaugurating a new, less morally fadigious stage in the war against apartheid.

"It was the first time the conflict in South Africa was brought home to white people," Mr. McBride recalled the other day, at liberty after six years in prison and, like the ANC itself, keen to convince that he has matured from bush soldier to citizen.

Last month Mr. McBride, 29, was freed, one of hundreds being let out in phases in a grudging government concession aimed at reviving negotiations.

Mr. McBride is descended from Scottish, Irish, African and Malay ancestors, making him by apartheid's eerie lights neither black nor white but

"colored." He grew up in Wentworth, a grim mixed-race township.

When a friend recruited him into the ANC army — Umkhonto we Sizwe, or Spear of the Nation — he went eagerly to a camp in Botswana to study clandestine warfare.

He smuggled weapons, then graduated to what the ANC calls "combat missions." He blew up electrical substations, water police cars, he planted explosives under police cars.

The Maggo's Bar bombing marked the beginning of a brief interlude in the armed struggle about which the ANC was always a bit ambivalent — a phase of pursuing what it called "soft targets." More bluntly, this has been called terrorism.

At his trial Mr. McBride, hoping to protect the ANC and to generate antipathy, said he had acted on his own, driven by his impoverished childhood and the embittering influence of his father, a schoolteacher-turned-welder who despised whites. Now he says — and the ANC confirms, embracing him as a hero — that he acted under detailed instructions.

"The bar was identified by ANC intelligence as a watering hole of the army and police," he said. "Unlike our previous policy, when we showed great restraint about bystanders, the new objective was to go after military personnel and not to show too much restraint about whether bystanders got injured or not."

Mr. McBride is convinced that two factors made his crime a particular nightmare to South Africans. One is that the victims were almost all white. Most of the casualties in the apartheid wars were — and are — black.

The second difference, he believes, is that South Africans were alarmed to find a "colored" taking up arms with blacks. "Coloreds" were accorded marginally better treatment and were expected to identify with whites.

ARMS: Russian Sales Could Fuel New Weapons Race

(Continued from page 1)

power plants, making them attractive to Third World buyers and further undermining efforts to stop the spread of nuclear arms.

Despite a cooperative relationship with Moscow, the United States has so far been unable to stop the Russian sales. Russian officials seem to have decided that the proceeds from arms and technology sales are worth the risk of irritating American policymakers.

Washington seems to have concluded that supporting change in Russia is more important than drawing a firm line against weapons sales and threatening a reduction in financial assistance.

Moscow is proceeding with the sale of diesel submarines to Iran, and a Russian company, Glavkosmos, is selling a rocket booster to India in violation of an agreement restricting technology for ballistic missiles. A senior American official said the United States had complained to Russia and China about the sale, apparently to no effect.

Undermining American leverage is the fact that Western nations, including the United States, have shown little restraint themselves in selling arms.

Washington, although it has exhorted governments of other industrial nations to control the spread of destabilizing weapons, appears

to have placed emphasis on competing with its allies for arms deals as President George Bush faces a faltering economy and a difficult election campaign.

Two such deals — the sales of combat jets to Saudi Arabia and to Taiwan totaling \$14.8 billion, announced in September — exceed the value of American arms sales to all nations of the Third World last year.

U.S. officials say that the Russians are selling weapons to Iran and China regardless of American sales. But Russian officials have cited such deals to justify their exports.

The pattern of Moscow's arms sales has changed considerably since the Cold War, when it provided billions of dollars in arms to nations such as Cuba, Iraq and Libya, often at concessional terms, in an effort to extend or maintain its military influence.

What the Russians are after now is cash, not influence. That, in addition to the Iraqi defeat in the Gulf War, which effectively removed it as a potential client, has limited the number of prospective customers. Two of the major customers are now Iran and China.

"In absolute figures Russian exports have gone down," an American official said, "but the reality is that the customers that still want to buy from them are questionable." And Richard F. Grimmett, an

expert on conventional arms sales at the Congressional Research Service, observed: "The Russian focus is on those countries that are willing to pay cash. There is a tremendous focus on Iran. China has picked up, too. The Chinese cannot get high-technology weapon systems from other suppliers. What you have there is a marriage of convenience."

Russia has sold diesel submarines and Su-24 and MiG-29 aircraft to Iran, and is providing spare parts for some of the Iraqi aircraft that were down in Iraq during the Gulf War — planes that the Iranians have said they will not return. And along with Czechoslovakia, Russia has sold T-72 tanks to Syria.

American officials say Moscow has sold missile guidance technology, rocket engines and rocket technology to China. China's air-to-air missiles are not well equipped to seek out enemy planes, and Russian technology is expected to enable Beijing to improve them.

China's surface-to-surface missiles are also considered to have inferior guidance systems and could benefit considerably from Russian exports, American officials said.

Moscow has sold S-300 surface-to-air missiles to China, the officials say. The S-300 is similar to the American Patriot missile, a small, highly mobile system designed to shoot down planes and missiles.

ISRAEL: Killings Ignite Fears of Resurgent Intifada

(Continued from page 1)

ence even when the hawkish Likud party was in power.

Nevertheless, senior officials acknowledged their dismay after a week in which Arabs killed three Jews and a dozen Palestinians also died, most from Israeli Army gunfire but at least four at the hands of fellow Arabs who accused them of collaborating with the authorities.

Mr. Rabin's spokesman said the prime minister was disappointed at the apparent fruitlessness of several gestures he had made to improve the climate of the peace talks. These include the release of nearly 700 Palestinian inmates nearing the end of their prison sentences and the cancellation of expulsion orders against 11 accused militants.

"Violence not only has not receded but it has increased," said the spokesman, Gad Ben-Ari. "I don't think at this point that the bold further gestures are to be considered."

As a security measure, the police manifested patrols along the so-called green line separating the Israeli-occupied West Bank from Jordan proper as it existed before the 1967 Middle East War.

In addition, the army closed off several villages in a stretch of the West Bank northwest of Jerusalem while soldiers hunted for Palestinian guerrillas who are presumed

responsible for the bombing of a van that burned an Israeli woman to death and wounded nine other people Saturday night.

The van ran over a trip wire, touching off an explosion outside the Jewish settlement of Matityahu, near the green line on the West Bank side. Yehudit Ostem, a 57-year-old woman from the Tel Aviv suburb of Bat Yam, died and all the other passengers were injured.

By Reuters' count, Mrs. Ostem was the 100th Israeli to be killed since the Palestinian uprising began on Dec. 9, 1987, and her death triggered anti-government protests by Israelis outside the prime minister's residence in Jerusalem and at Red Cross offices in Al Bireh, an Arab town in the West Bank near Dolov. During the five years of the uprising, more than 950 Palestinians have been killed by Israeli soldiers and roughly 500 others have been murdered by fellow Arabs as accused collaborators.

Besides denouncing the government, some Israelis in southern Galilee have stoned the cars of Arab drivers and taken part in other disturbances to vent their anger after a local farmer, Shimon Avraham, 35, was stabbed to death last Thursday.

As in the other protests, the Galilee residents accuse the government with not doing enough to protect them. It is a particularly sensitive point for Mr. Rabin, who faced the same accusation at Likud in the Israeli election campaign last spring and who triumphed in part on his reputation as no-nonsense defense minister during the intifada's early days.

Last week, as a hunger strike by Palestinian prisoners triggered new street clashes on a scale not seen in many months, the prime minister said he would use military force to curtail rioting. But exactly what plans the army may have are not clear. It is also uncertain if the uprising is back in full force, as some Israeli fear, or has simply regained temporary momentum.

On Saturday, Mr. Rabin attributed the latest violence to the Palestinians' frustration with the peace talks and to their worry that they had "lost the world's attention" while Israeli and Syrian negotiators made some headway in their last round.

For his part, the spokesman for the Palestinian delegation, Hanan Ashrawi, told Israeli radio as she left for Jordan on her way to Washington that the pain caused by the violence was felt on both sides.

"I just think that the fact of the occupation has to come to an end so that we can approach it as human beings and not as two parties in conflict," she said.

GERMANS: A Work System Rooted in the Centuries PARTY: Change at the Top

(Continued from page 1)

The Karl Grüsser School, located at the offices of Berlin's bakers' association, is run by the private industry group with money from its member bakeries and from the government. The school is training 332 bakers and 309 salesclerks, all of whom work four days a week at a bakery and spend one day a week in school. For three weeks each year, they attend classes full-time, but they are paid year-round.

For the bakers, the apprentices are extra help at an attractive rate. For \$475 to \$600 a month, less than one-third what it would pay a full-time employee, the bakery gets a young trainee.

"Sure, the firms often use us to clean up and as cheap labor," said Birgit Frommholz, an East Berliner

in her second year of bakery-clerk training. "And in some places you can work a year before they let you touch the cash register. But by the end of the training, you get to do everything."

All vocational trainees, whether electricians, booksellers or sail makers, auto mechanics or office clerks, also take a civics course designed to give those Germans who leave school at age 15 a grounding in how their government works.

Supporters of the German system say it can and will change with the times, as it has for nearly a millennium. For instance, to keep up with students' desire for greater career flexibility, many German businesses are now willing to hire workers trained in other, related fields.

But the German system remains rooted in traditions reaching back to the Middle Ages. Thousands of young German men still roam the country for a three-year period wearing wide-brimmed black hats, heavy black corduroy bell-bottom pants and velvet waistcoats. They are traveling journeymen following a centuries-old practice, romanticized in folk songs and stories, in which carpenters and other craftsmen tour the country, trading handiwork for lodging and food.

The wandering craftsmen tradition "survived Bismarck, Hitler and Honecker," said Richard Richter, a labor court judge who used to run a guild of journeyman carpenters. "It will survive anything else. Wandering is no lark in the park. You need to be one hell of a man to do it."

Change at the Top
(Continued from page 1)

from the Beijing, Chengde and Jinan military regional commands. The ministers of communications, foreign trade, agriculture and economic restructuring were also promoted as part of an emphasis on economic development.

In secret electronic balloting, the delegates to the congress voted in 189 full members of the Central Committee and 130 alternate members. Of the full members, new members make up 46.7 percent, according to the official Xinhua news agency. The new faces this year make up a much bigger percentage than the previous Central Committee, which named only one-third new members when it was elected five years ago.

At the brief closing ceremony, the nearly 2,000 delegates voted unanimously four times in a show of hands to adopt or pass all the resolutions before them.

Although the congress has dominated the headlines and the television news, most city residents are following the personnel changes with little interest.

One white-collar worker said, "Look, people only care that the ones who get promoted don't let food prices and gas prices rise too quickly."

Among the hard-liners who were purged were the director of the People's Daily, who was responsible for much of the newspaper's harsh invective that followed the 1989 Chinese Army crackdown on democracy; the head of the party's propaganda department; the acting culture minister; and the Beijing party secretary.

Some of the individuals had been criticized by name during Mr. Deng's trip to southern China earlier this year, the region that is most economically dynamic. Mr. Deng's trip was the catalyst for this latest push for reform.

At the same time, several officials who were closely allied with the former party chief Zhao Ziyang, reviled by hard-liners, were also removed from the Central Committee. They included the former culture minister and one of China's best-known writers, Wang Meng, who tried to sue authorities for slandering his work; and Yan Mingfu and Rui Xingwen, former members of the party secretariat under Mr. Zhao.

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AMERICAN TOPICS

A Donor's Good Deed For Some Good Reads

The academic adage "publish or perish" took on new meaning last week when a Nevada businessman announced a \$10 million gift to Harvard Divinity School. The donor, Robert A. Jones, said he had been inspired to give the money after finding that so many good books in religion were being published by faculty members, researchers and students at the school.

He told The New York Times about attending a weekly Bible class for 15 years in the San Francisco Bay area. "Every week we would have so many questions for which we wouldn't have solid answers," said Mr. Jones, chairman of Jones International, a financial management firm. "I began buying and reading books in the field, and that led me to recognize that some of the best work was being done at Harvard Divinity School."

The \$10 million gift, the largest in the divinity school's history, was announced as it observed its 175th anniversary.

About People

John Testrake, the TWA pilot who kept cool during a hijacking seven years ago, is running as a Republican for the Missouri state legislature. Now retired, Mr. Testrake, 64, is calling for

the revitalization of Missouri's small towns by attracting industry. In 1983, his Athens-to-Rome flight was hijacked by Muslim extremists who killed a U.S. Navy diver. A Testrake campaign folder includes a photo of him leaning out the cockpit window, a gun-toting terrorist next to him.

At 51, Joan Baez, the social protest singer, says she is going to concentrate on her music. "If there was a march on the borders of Czechoslovakia, I would drop everything and go," she said. But she recently disbanded her Humanitas organization, which had been formed 13 years ago to focus on human rights and nonviolence. "While these vocal cords still have a reasonable amount of elasticity," she said, "I want to have a serious bush at music. I was letting my career flop around like a fish on a dock."

Angela Lansbury, who plays the author-detective Jessica Fletcher on television's "Murder, She Wrote" series, has been named grand marshal of the 104th Tournament of Roses Parade on New Year's Day in Pasadena, California. She said she "absolutely adores the idea of the Rose Parade."

Short Takes

Not all hunting and fishing guides are helpful and self-effacing, laments Angus Phillips, outdoors writer for The Washington Post. He takes special umbrage at those who do things their way regardless of what the customer

wants, those who talk too much, "the way barbers do," and those who compete with their clients. "They're the worst," he writes. "Nothing rankles more than paying good money to watch someone who does it every day gleefully outfish or outshoot you."

Why don't rivers and lakes get absorbed into the ground? Sometimes they do. In desert areas, dry riverbeds fill up only when there is torrential rain. But elsewhere, there is too much water rushing through a river channel or pouring into a lake from its tributaries to be absorbed. In places where water is plentiful, it doesn't seep from the stream into the ground; it seeps from the water-soaked ground into the stream.

Samley Face, that totem of the 1970s with an arc for a mouth and two dots for eyes reminding us to "have a nice day," has been memorialized in a museum set up by Mark Sachs of Silver Spring, Maryland. It contains not only the familiar round yellow badge with its "certainly sunny" message, but also the Washington Post post-it, but 350 other artifacts — jars, teapots, clocks, license plates, candles. "I wanted to collect something but was intimidated because that usually means spending a lot of money," said Mr. Sachs, 45, a telecommunications company manager. "Everything here is probably worth about \$29 total."

ACROSS

1 White House office	21 Plant of the leadwort family	41 Last mo.	61 Topsy's friend
3 Restoration of a sort, for short	23 Purpose	42 Credo	7 Witches
4 Kind of seaman	25 Merry adventure	43 Sureties	8 Mine entrance
14 City on the Dvina	26 Give courage to	44 Educated	9 Like sloops on windless days
15 Foll pursuers	31 Pantomimist	45 Soft cheese	10 Verity
16 Fault	34 Landlord's sign	46 Nothing	11 Paddy wagon
17 Woodoo	36 Car parker son	47 Bathsheba's	12 Recent
19 Cloth, for one	37 Tomahawk, e.g.	48 Wings: Lat.	13 One of Bo-peep's charges
20 Moon goddess	38 Mongolia's	49 Poisonous arachnid	14 Genueflected
	39 Knocked about	50 Polynesian	15 Pulled tight
	40 Actual	51 Née	16 Galsworthy's "A Man of"
		52 Notorious W.W. II appeaser	17 Musical study
			18 Double agents

Solution to Puzzle of Oct. 16

PIACE	MACAW	JAW
PETAL	ORZINE	ONE
TROLL	GORISDUKE	
ALLIED	TINS	ALLS
HALPRINCE	SLEET	
KVILA	ARTE	
LIE	QUE	SETHED
ABLAUNT	SEH	HIARH
SOTRIEIS	BAH	GAIZ
DEISL	CREW	
LADEN	TEDKNIIGHT	
ANON	AUG	SKENIAT
PATTPAGE	TINOLD	
PIE	TETES	NIMOV
SIS	EXIERT	GEES

DOWN

1 Eyes, to Milton	2 Anagram for evil	3 "A" in Calico, 1946 song	4 Kind of curtain	5 Sand back	
6 Grandiose tale	64 Yield	65 Adversary	66 Kind of corner		
67 Roofing material	68 The Graces, e.g.	69 Underneath	70 Actress Dahl	71 Like a small bell	
72 Kind of gin fizz	73 Buck heroine	74 Passport addendum	75 City on the Ljsselmeer	76 Theater box	77 Kind of dive
78 Peter Jennings's network	79 Eccentric mechanism				

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WEEKLY INTERNATIONAL BOND PRICES

Provided by Credit Suisse First Boston Limited, London, Tel: 022 40 00. Prices may vary according to market conditions and other factors. Oct. 16

Canadian Dollars

Table of Canadian bond prices with columns for Issuer, Coupon, Maturity, Price, and Yield.

Table of Japanese bond prices with columns for Issuer, Coupon, Maturity, Price, and Yield.

Table of German bond prices with columns for Issuer, Coupon, Maturity, Price, and Yield.

Table of French bond prices with columns for Issuer, Coupon, Maturity, Price, and Yield.

Table of Italian bond prices with columns for Issuer, Coupon, Maturity, Price, and Yield.

Table of Spanish bond prices with columns for Issuer, Coupon, Maturity, Price, and Yield.

Table of Greek bond prices with columns for Issuer, Coupon, Maturity, Price, and Yield.

Table of UK Government bond prices with columns for Issuer, Coupon, Maturity, Price, and Yield.

Table of US Government bond prices with columns for Issuer, Coupon, Maturity, Price, and Yield.

NEW YORK

Table of New York stock market data including various indices and individual stock prices.

EURO STRAIGHTS

Table of Euro straight bond prices with columns for Issuer, Coupon, Maturity, Price, and Yield.

ECU STRAIGHTS

Table of ECU straight bond prices with columns for Issuer, Coupon, Maturity, Price, and Yield.

POUND STERLING

Table of Pound Sterling bond prices with columns for Issuer, Coupon, Maturity, Price, and Yield.

MUTUAL FUNDS

Figures as of close of trading Friday, Oct. 16.

Table of mutual fund performance data including fund names and returns.

YEN STRAIGHTS

Table of Yen straight bond prices with columns for Issuer, Coupon, Maturity, Price, and Yield.

STOCK MARKET

Table of international stock market data including various indices and stock prices.

CURRENCY

Table of international currency exchange rates.

COMMODITIES

Table of international commodity prices including oil, metals, and grains.

Large advertisement on the right side of the page for MEXPO '92, featuring text like 'MEXPO '92', 'INTERNATIONAL MARKETS', and 'CURRENCY'.

Handwritten Arabic text at the bottom center: 'كلنا من الأصل'.

(Continued on page 12)

CAPITAL MARKETS

Britain May Borrow Marks to Pay for Intervention

By Carl Gewirtz
International Herald Tribune

PARIS — A high level of new-issue activity is expected to be sustained in the Deutsche mark sector of the international capital market this week, with Britain widely rumored to be planning to float 5 billion DM worth of bonds. Britain needs the marks to repay the massive intervention by the Bundesbank during last month's storm in the foreign-exchange market. Although Britain dropped out of the European Community's exchange-rate mechanism and freed sterling to float — it recently trades at 17 percent below its previous central rate against the mark — the cost of the future intervention is large. Bundesbank officials have estimated last month's total intervention at 92 billion DM and its president, Helmut Schlesinger, publicly stated that more than 44 billion DM was spent lending sterling and the lira most of which went to support the pound.

In fact, the Bundesbank did not spend anything. More precisely, it extended credit to central banks whose currencies were under attack. Under the terms of the system, the credits — need to be repaid 75 days following the end of the month in which the intervention occurred. That brings the due date to Dec. 15 although a three-month extension is possible.

But that's expensive. Interest on the loan probably runs at about annual rate of 11 1/2 percent, the current rate on three-month European Currency Units. That is because the book-keeping is recorded in Ecu's, the targeted common currency of the EC's proposed monetary union.

Pricing the debt in European Currency Units also means that the intervention will share a very small part of the real cost of the intervention. The mark has appreciated by some 3 percent against the Ecu due to the devaluations of sterling, the lira and the peseta. It means it will take fewer marks than were initially lent to wipe the debt recorded in Ecu's.

Britain, which early in September borrowed 5 billion DM through a syndicated bank loan denominated in Ecu's, is also expected to seek another loan of that size from international banks.

Last week's activity in the DM bond market was led by Sweden, which sold 2.5 billion DM of five-year notes carrying a coupon of 8 percent. Officials at the Swedish central bank refused to comment on whether the funds were aimed at repaying debt owed to the Bundesbank. To defend the krona during last month's attack, short-term interest rates were pushed up to 500 percent; Sweden, though not a member of the Community, pegs the value of its krona to the mark.

The Swedish deal, increased from the initially indicated 2 billion DM, was the first ever offered in the DM sector using the negotiated fixed price re-offering common in the dollar sector.

This obliges underwriters to offer paper to investors at the agreed price and syndication and assures the managers of a uniform commission — in this case 0.3 percent, or 30 basis points. Institutions

See EURO BONDS, Page 11

Royal Sets Del Monte Unit Deal

2.4 Billion Rand Will Buy Control

Reuters

JOHANNESBURG — The Royal Group of South Africa announced at the weekend that it would buy control of Del Monte Foods International in what it called one of South Africa's biggest international deals, worth about 2.4 billion rand (\$837 million).

The purchase is to be made through the group's Royal Foods Ltd. unit.

Anglo American Corp. will contribute 400 million rand to the purchase consideration, ultimately representing equity funding, Royal Group said.

"Initially, the 2.4 billion rand will be settled by the utilization of a sterling medium-term bridging facility which is being arranged," the group said in a statement Saturday.

It added that this would be repaid "in due course from the proceeds of the equity funding."

Apart from Royal Group and Anglo American, substantial participation by other South African investors will be needed through the placement of shares in Royal Group with major institutional players. The Royal Group statement did not elaborate.

Royal Group Holdings controls Royal Foods Ltd., which in turn controls Royal Foods Ltd.

Industry sources said that Royal Group eventually would institute an offshore company that would become a subsidiary through which Royal Foods would own 100 percent of the company purchased.

In 1990, Del Monte Foods Europe, the European division of the U.S. fruit and vegetable canning giant, was bought by its management for \$375 million.

A year earlier, RJR Nabisco Inc. sold the fresh-fruit operations of its Del Monte unit to Polly Peck International PLC, the conglomerate that later collapsed after the arrest of its chief executive on fraud charges.

East Europe on the Brink, Report Finds

By Erik Ipsen

International Herald Tribune

LONDON — Forty to 80 percent of the companies that make up the economies of Eastern Europe are on the verge of bankruptcy, according to a report for release Monday by a London-based institute that offers one of the gloomiest assessments to date of the region.

Paul Reynolds, an economist at the Adam Smith Institute and one of the report's two authors, said: "Forty to 80 percent of the companies that make up these economies are on the verge of bankruptcy and being supported by state banks printing money."

"How long can this go on?"

The report, which focuses not on macroeconomics but on the region's companies and on the privatization process, warns that the sell-off of state enterprises has gotten so bogged down it threatens the economies as a whole.

The authors refer to the East European governments' grandiose intentions for privatization and labels them "largely a sham."

Specifically, it looks at the pace of privatization in Hungary, Poland and Czechoslovakia and predicts that at the current rate it would take 28 years to sell off half of the state-owned enterprises.

"But in fact most of them will be bankrupt and closed in five years anyway," the authors concluded.

They also said that the situation in the rest of Eastern Europe was even worse than in those three countries.

To prevent what Mr. Reynolds called an economic "implosion," he and his co-author call for a speeding up of privatizations, which they claim have now nearly ground to a standstill.

Normal methods of selling off enterprises simply do not work, they said.

The report recommends a variety of programs instead, ranging from a buy-now, pay-later plan by which companies could be leased — for a period of years ahead of the actual sale — to the governments actually paying people to take troubled companies off the public purse.

"New ways have to be found to get unhealthy companies into the private sector," Mr. Reynolds said.

The authors lay the largest share of the blame for the slow progress of privatization on the region's politicians.

Too many of them, Mr. Reynolds said, remained committed to socialist reluctance to do away with the command economy, and

nationalists reluctant to open up their economies to Western investors.

He insisted that much of what he and his co-author had to say merely reflected a widespread, deepening pessimism among both East European officials and businessmen as well as their Western advisers.

Mr. Reynolds said he hoped the report and its bleak tone would spark some change.

"These countries have reasonable work ethics and have had long, long histories of industrial and commercial success," he added. "It is easy to forget that they were once healthy and successful countries and can be again."

Russia to Privatize Oil Industry

Russia's monolithic oil industry, the world's second biggest, will not escape the sweeping privatization process intended to breathe life into the emerging free market system, Reuters reported from Moscow.

Investor said a presidential decree had been drafted to reverse production declines and inject competitive instincts into one of the most conservative sectors of industry.

"The process of introducing shareholding companies should begin this year," it said. "It will be carried out rather carefully and last for about three years, although a quicker pace can only be welcomed."

Dollar Rides the Rate-Cut Rumor Wheel

International Herald Tribune

PARIS — Rumors about massive cuts in European interest rates and fears that a Clinton victory in November will drive up U.S. interest rates swamped the foreign-exchange market last week, driving the dollar to the upper end of its recent trading range. But analysts said the market was going too far in its interest-rate expectations.

The rumors were multifaceted, sparked by Friday's one-point cut in British rates and fueled by the meeting of EC leaders at the Birmingham summit meeting as well as Monday's meeting of EC finance ministers in Luxembourg.

Swirling in the market were stories of an impending "cleansing" of the EC exchange-rate mechanism with a final series of devaluations of the peseta, escudo and Irish punt that would lead to a substantial cut in German interest rates and permit the free-floating pound and lira to return to the system.

Interest rates on short-term Euro-Deutsche marks fell by 1/4 point in the shortest maturities, and by 3/16-point on six-month money.

The rates on Euro-French francs fell by 1/4 to 1/2 point, and in the domestic market rates fell by as much as one percentage point.

At the same time, U.S. financial markets were rattled by the prospect of big spending to get the economy moving if the Democrats win the election. While the prospect upset the bond market, foreign-exchange traders jumped on the prospect that the Federal Reserve would be forced to offset the fiscal thrust with an early tightening of monetary policy.

The dollar ended the week in New York at 1.4804 DM, including a rise of more than 2.5 pfennig on Friday.

Analysts were skeptical that the declines in European money market rates were justified and warned

that worries about Bill Clinton's spending plans were premature.

Richard Reid, Frankfurt-based analyst for UBS/Phillips & Drew, has sharply scaled back growth prospects in Germany next year to a 0.4 percent, from 1.5 percent.

But in his view "markets are seriously overestimating how aggressive the Bundesbank will be when it starts to lower interest rates."

He added, "Yes, the economy is slowing dramatically, but that is not yet reflected in domestic price pressures and until then there will be no significant cut in interest rates."

In New York, Philip Braverman at DKB Securities Corp. said: "Evidence of a retreating economy is evident. September industrial production dipped 0.2 percent. Capacity utilization declined to 78.4 from 78.7, creating a still larger cushion against any potential inflation threat. Exports plunged 6.1 percent

in August, further depressing economic prospects.

"October new factory orders, industrial production, capacity utilization should also retreat," he said. "The sinking economy and evaporating inflation point to further Fed easing."

Mr. Braverman said a cut might come just after Election Day, when the government issues its report on October employment on Nov. 6.

Another element that analysts are watching is European central banks' demands for marks, which could push up the currency as the bills come due for last month's massive intervention that the Bundesbank has estimated totaled about 92 billion DM (\$62.2 billion).

Some of this has already been repaid. For example, Finance Minister Michel Sapin said last week that France had reimbursed almost half of its ERM borrowings and was continuing to do so. The Bank of France governor, Jacques de Larosiere, said 160 billion francs (\$32.4 billion) had been spent in defending the currency.

How much of this remains outstanding is unclear. The Bundesbank's weekly statement shows 47 billion DM is owed to it from the end of the year," he added.

See DOLLAR, Page 12

New Hope For GATT Round

Officials Expect Breakthrough on Farm Subsidies

Reuters

CAMBRIDGE, Ontario — Trade representatives from the United States, the European Community, Canada and Japan agreed on Sunday that they expected a breakthrough on the issue of agricultural subsidies in a "matter of days."

"We're looking for a breakthrough in those issues that have blocked progress to date in a matter of days," said the U.S. trade representative, Carla A. Hills.

Mrs. Hills was referring specifically to the controversial cutbacks in EC agricultural subsidies demanded by the United States.

The EC external affairs commissioner, Frans Andriessen, said Washington and Brussels could overcome an impasse in the prickly issue of agricultural subsidies by November.

Farm subsidies are a key stumbling block in the six-year-old Uruguay Round of trade talks sponsored by the General Agreement on Tariffs and Trade. The first deadline for an agreement passed two years ago.

Such a deal between the United States and Europe may work to the benefit of President George Bush, who has pressed for a resolution of the stalled trade talks to boost his flagging re-election bid.

When asked by reporters if an agreement was possible by November, Mr. Andriessen replied: "By the end of this month. Yes, I think it is possible."

"We expect that sufficient progress will be made on agriculture in the days ahead between the United States and the EC so that on an early date the negotiations can be brought back to Geneva within the multilateral process," said the Canadian trade minister, Michael Wilson, at a press conference.

Mr. Wilson was speaking on behalf of all four ministers gathered here for a weekend quadrilateral trade meeting, which dealt almost entirely with the Uruguay Round.

"We're determined to press ahead to complete the Uruguay Round by the end of the year," he added.

THE TRIB INDEX

International Herald Tribune World Stock Index, composed of 230 internationally investable stocks from 20 countries, compiled by Bloomberg Business News. Week ending October 16, daily closings, Jan. 1992 = 100.

Index	10/16/92	10/02/92	% Change	10/16/92	10/02/92	% Change	
World Index	94.49	92.79	+1.83	Capital Goods	91.73	92.54	-0.88
Asia/Pacific	88.57	87.39	+1.25	Raw Materials	91.89	92.71	-0.88
Europe	92.30	90.80	+2.60	Consumer Goods	92.84	91.26	+1.51
North America	96.11	94.48	+1.73	Miscellaneous	97.54	94.74	+2.96

Industrial Sectors/Weekend close

Index	10/16/92	10/02/92	% Change	10/16/92	10/02/92	% Change	
Energy	94.49	92.79	+1.83	Capital Goods	91.73	92.54	-0.88
Utilities	88.57	87.39	+1.25	Raw Materials	91.89	92.71	-0.88
Finance	92.30	90.80	+2.60	Consumer Goods	92.84	91.26	+1.51
Services	96.11	94.48	+1.73	Miscellaneous	97.54	94.74	+2.96

The index tracks U.S. dollar values of stocks in: Tokyo, New York, London, and Australia, Austria, Belgium, Canada, Denmark, Finland, France, Germany, Hong Kong, Italy, Netherlands, New Zealand, Norway, Singapore, Spain, Sweden and Switzerland. In the case of Tokyo, New York and London, the index is composed of the 20 top issues in terms of market capitalization. In the remaining 17 countries, the ten top stocks are tracked.

Paris Notebook

You Can Lead Them to Market, but . . .

Prime Minister Pierre Bérégovoy's project to raise up to 30 billion francs (\$10.1 billion) in fresh capital for French companies by instituting a stock-market savings plan has gotten off to a weak start, victim of a bearish mood on the Bourse and monetary instability.

The Plan d'Épargne en Actions, or PEA, was launched by banks on Sept. 14, and despite extensive promotional campaigns, the French have not shown any rush to sign up for the savings plans, which provide attractive tax exemptions on gains if the capital is held onto for at least five years.

"We've been promoting these since July and only 30 clients have opened accounts," said an official at a Paris branch of Société Générale. "It's the same thing I hear from the other branches, and from the other banks."

Bankers say that most of those who have opened a PEA have not added fresh capital to the market, but rather only transferred their existing stock holdings into the new tax shelter. Crédit Lyonnais said that of the 200,000 plans it had opened in the past month, half of the investments came from transfers.

A spokeswoman for the French Banking Association was more upbeat, saying that new capital "undoubtedly" would be added to the savings plans over time.

Despite Mr. Bérégovoy's plea for the French to invest more for the long term, the smart money, banker say, is pouring ever faster into money-market funds, now boosted by the deep cracks in the European Monetary System. The short-maturity funds are offering returns of over 10 percent.

Since the problems came to light two weeks ago, Paribas has been trapped in a "no comment" mode, referring questions about Ciments Français to Ciments Français.

France's second-largest cement company, to no great surprise, also has had no comment since announcing that Pierre Comos, its chairman, was asked to resign and that an audit had found up some "exceptional elements."

Meanwhile, Paribas, which last spring sold control of Ciments Français to the Italian cement company, Italcementi, has had to see its name dragged through the mud as news reports make almost daily revelations about the nature and extent of the problems. Some reports put the losses at up to 1 billion francs.

Insiders say top management wanted to tell what it knew as soon as it was discovered, but its lawyers, fearful of legal repercussions if the finger were pointed at anyone, successfully argued for silence until all the damage could be assessed and reported along with the company's first-half earnings, due by month's end.

Can You Cure Euro-Pessimism?

Last Friday's emergency summit agreement in Birmingham, England, to install a more democratic spirit in the operations of the European Community, may be just what the doctor ordered to combat a new bout of Euro-pessimism in France.

Much of last month's 49 percent opposition to the Maastricht treaty on European monetary union was based on fears that technocrats, unrestrained by the will of the people, would end up calling the shots in the economic and political union.

Such criticism has helped turn the majority of the French away from hope in the near-term creation of a federal Europe. According to a new poll by Sofres-L'Expansion, only 42 percent believe that a "United States of Europe" will come into existence by the year 2000, against 39 percent who don't think it is a possibility. In 1989, as French excitement about the Single Market peaked, 57 percent thought that a US of E would come together before the turn of the century.

Jacques Neher

The Fax Did It — Well, Maybe

The Bourse, trying in recent years to improve the flow of information to investors, still has a good way to go, apparently. Witness last Friday's 18.5 percent plunge of Legis Industries, to 156 francs, on volume that soared 10-fold over average trading levels.

The Rennes-based maker of plumbing fixtures, it seems, had disappointing first-half earnings to report. The only problem is that it did not report them.

Although results were approved by the Legis board last Thursday, reporting of them was not planned until this week.

Sources said that following the Thursday board meeting, the results were communicated to the BALO, the official legal journal, with publication set for Monday. A company spokeswoman, however, said the plan to use the legal newspaper had been canceled, and

PUTNAM PREMIER INCOME PROTECTION TRUST FCP

2, Boulevard Royal Luxembourg

DIVIDEND ANNOUNCEMENT

The PUTNAM PREMIER INCOME PROTECTION TRUST will pay to its shareholders on record October 19, 1992 a dividend of US\$ 0.05 per share for portfolio A and a distribution based on the following formula for portfolio B:

7 1/4% x 1,362.25 (blended initial Yen NAV per share) = 98.763 Yen per share converted into the equivalent dollar amount using the exchange rate on October 19, 1992.

The payments will be made on October 22, 1992.

Luxembourg, October 1992

THE BOARD OF DIRECTORS of the Management Company NKK PUTNAM MANAGEMENT S.A.

PARINTER FUND

Apport des actifs à "Parvest International Equities"

Avvis aux participants

Suite à la décision prise par les administrateurs, l'ensemble des actifs du Fonds Commun de Placement "Parvest Fund", composé de 11 milliards de francs belges, ont été transférés le 15 septembre 1992, au consortium "Parvest International Equities" de la SICAV à participation PARVEST. La politique d'investissement de ce consortium est similaire à celle de "Parvest Fund". En conséquence de l'apport de ses actifs, "PARVEST" a été désigné "PARINTER FUND" en vertu d'une décision de la conférence "Parvest" de composition "PARVEST INTERNATIONAL EQUITIES" dont la valeur est équivalente aux avoirs apportés. Les actions "B" de ce consortium "Parvest International Equities" ainsi émises seront attribuées aux porteurs de parts "Parvest Fund" proportionnellement au nombre de parts qu'ils détiennent. Les rums seront réglés en espèces.

Conformément aux décisions du Conseil d'Administration de la Société de Gestion et aux dispositions de la loi, il est prévu que les actions de la Société de Placement "Parvest Fund" à partir du 15 septembre 1992, la Société de Gestion, a sa tête que l'liquidation du Fonds, a nommé Coopers & Lybrand pour l'assister dans sa fonction de liquidateur.

Conformément à l'article 11 du Règlement de Gestion, l'inscription et le remboursement des parts ainsi que la valeur nette d'inventaire sont arrêtés à partir du 15 septembre 1992.

A partir du 21 septembre 1992, les parts de copropriété du Fonds Commun de Placement "PARINTER FUND", composé de 11 milliards de francs belges, pourront être échangées aux guichets de la Banque D'Epargne, sans contrepartie de monnaie, contre des actions "B" de ce consortium "Parvest International Equities", proportionnellement aux parts du Fonds "Parvest Fund" détenues. Les rums seront réglés en espèces sur base de la valeur nette d'inventaire de Parvest International Equities constatée le jour de la demande d'échange.

Pour les participants détenant des parts nominatives et n'ayant pas reçu de certificat représentatif de celles-ci, l'Agent Payeur procédera à l'inscription de leurs actions dans le Registre des colporteurs nominatifs de Parvest et fera parvenir à leur adresse l'agent Payeur des Parts de ce Fonds Commun de Placement un chèque libellé en USD dont le montant correspondra à l'indemnisation des rums.

Le conservateur des parts non échangées à la clôture des opérations de liquidation sera déposé à la Caisse des Consignations à Luxembourg en profit des ayants-droit.

Tout propriétaire d'actions de capitalisation ("B") de ce consortium "Parvest International Equities" ainsi émises pourra, à tout moment, obtenir l'échange de ses actions "B" contre des actions de distribution (actions "A") de "Parvest International Equities". Cet échange effectuera à raison d'une action "A" pour une action "B" jusqu'à décaissement du coupon N° 1 des actions "A". Après cette date, l'échange effectuera sur base de la parité qui sera établie à ce moment et qui restera d'application jusqu'à décaissement du coupon suivant.

Les prospectus d'information en vigueur de PARVEST peut-être obtenus, sur simple demande, au siège social de la Société, 10A, Boulevard Royal, Luxembourg.

Banque D'Epargne: Banque Paribas Luxembourg 10A, Boulevard Royal, Luxembourg Tél. 46.46.1

Pour le Conseil d'Administration de Parvest Management Company

NB: La proportion d'échange a été fixée à 2,06313 actions "B" du consortium "Parvest International Equities", pour 1 part du Fonds Commun de Placement "Parvest Fund", détenue.

CURRENCY RATES

Oct. 18

Base Rates	Oct. 18	Oct. 11	% Change
London	1.645	1.635	+0.010
Paris	1.645	1.635	+0.010
Frankfurt	1.645	1.635	+0.010
Geneva	1.645	1.635	+0.010
Madrid	1.645	1.635	+0.010
Amsterdam	1.645	1.635	+0.010
Stockholm	1.645	1.635	+0.010
Oslo	1.645	1.635	+0.010
Copenhagen	1.645	1.635	+0.010
Helsinki	1.645	1.635	+0.010
Brussels	1.645	1.635	+0.010
Basel	1.645	1.635	+0.010
Zurich	1.645	1.635	+0.010
Vienna	1.645	1.635	+0.010
Berlin	1.645	1.635	+0.010
Munich	1.645	1.635	+0.010
Frankfurt	1.645	1.635	+0.010
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Berlin	1.645	1.635	+0.010
Munich	1.645	1.635	+0.010
Frankfurt	1.645	1.635	+0.010
Geneva	1.645	1.635	+0.010
Madrid	1.645	1.635	+0.010
Amsterdam	1.645	1.635	+0.010
Stockholm	1.645	1.635	+0.010
Oslo	1.645	1.635	+0.01

NASDAQ NATIONAL MARKET

OTC Consolidated trading for week ended Friday, Oct. 16.

Main table of stock prices with columns for symbol, price, change, and volume. Includes sections A, B, C, D, E, F, G, H, I, J, K, L, M, N, O, P, Q, R, S, T, U, V, W, X, Y, Z.

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(Continued on page 13)

International Bond Issues

led by Laurence Desvillettes

Table with columns: Issuing Rate Notes, Amount (millions), Mat., Coup. %, Price, Price end week, Terms. Includes entries for Airbus 2 Int'l, Citicorp, etc.

Swissair Plans to Idle 5% of Staff in 1993

ZURICH — Swissair will cut 1,000 jobs, or more than 5 percent of its staff, by the end of 1993 in an effort to reduce soaring costs...

Clinton Jitters Shake Bonds 30-Year Treasury Eases on Inflation Fears

NEW YORK — The Treasury market is expected to focus more on presidential politics in the coming week than on economic reports...

The Week Ahead: World Economic Calendar, Oct. 19 - 24

Table with columns: Asia, Europe, Americas. Lists economic events for various regions including Tokyo, Frankfurt, London, and New York.

EUROBONDS: Britain May Borrow Marks Again

Continued from first finance page) Bond investors like this method because it is aimed at setting a price considered fair by everyone...

Futures Get Hopeful Nod In Shanghai

BEIJING — The four-month-old Shanghai Metals Exchange will begin futures trading by the year's end, and Shanghai officials are making plans to open a grain futures market...

Bank Regulators Decry Costs

BOSTON — America's top bank regulators told bankers on Sunday that the industry bore an unfair regulatory burden, but failed to spell out ways to relieve the load...

Advertisement for BusinessWeek magazine. Includes text: 'This week's topics: The Best Business Schools In The U.S., Devalued Currencies Are Bolstering Business...' and 'TURN TO GOLD'.

Table titled 'Last Week's Markets' with columns for Stock Indexes, Money Rates, and other market data.

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MONDAY SPORTS HOCKEY

European Influx Challenges NHL's New World Order

By Joe Lapointe
Special to the Herald Tribune

NEW YORK — Twenty years ago, when Canada's ice hockey team played the Soviet Union in a seminal "Summit Series," the overconfident Canadians assumed they would dominate in a sport they had invented.

After losing two and tying one of the first four games in Canada, the stunned and chastened Canadians had to regroup and rally in Russia. Paul Henderson's goal late in Game 8 in Moscow gave Canada a 4-3-1 series victory and a glorious place in the history of his home and native land.

The downturn, however, was a rude awakening. Canadian eyes had been forcibly opened to a new playing style and a new talent pool for the National Hockey League. The game on their side of the Atlantic would never be quite the same.

Over the next two decades, the Europeans began to find work in the New World. First as a trickle, later as a flow, came the Swedes and the Finns and the occasional defector from Czechoslovakia.

Over the past four years, with the breakup of the Soviet Union, the parade has included Russians, Ukrainians, Lithuanians and many Czechoslovakians, their contracts sold for cash by their former teams.

With the current National Hockey League season just under way, 99 players on NHL rosters were born outside North America, almost all in Europe, making up roughly one-fifth of all league rosters.

Last season's rookie of the year, Pavel Bure, came to the Vancouver Canucks from Central Red Army of Moscow. And after the first four games of this season, Teemu Selanne of Fin-

land, who joined the Winnipeg Jets this year, was second in the league with nine points. Only the Penguins' star, Mario Lemieux, with 14, has more.

Lemieux's Penguins, who play an up-tempo style, have won the Stanley Cup the last two seasons and are strong contenders again this season. Lemieux recently signed a contract that will pay him \$42 million for seven seasons, the biggest salary in his sport.

But one of the biggest reasons the Penguins won the cup last season was the play of their young Czech star, Jaromir Jagr. Europeans are likely to make their mark again this season.

During competition before the All-Star game in February in Philadelphia, the two fastest players in the speed-skating competition were Sergei Fedorov of Detroit and Alexander Mogilyov of Buffalo, former teammates on Red Army. During the NHL draft last summer in Montreal, 10 of the 24 players chosen in the first round were from Europe.

Although North American and European styles have grown more similar since 1972, there are still fundamental and philosophical differences at the developmental level. Most NHL playing and management jobs are filled by Canadians who came up through Canada's junior hockey system. In these teenage leagues, teams often play three games a week, travel extensively and practice when they can find time. Fighting is permitted without ejection, and often approved by coaches. Physical play on small ice surfaces is encouraged.

In Europe, young players are trained with more practices and fewer games and road trips. The ice surface is larger. Fighting results in automatic ejection. Passing and stick-handling

are favored over intentional collisions and the "dump-and-chase" style of Canada.

But even NHL businessmen are changing their thinking. Last summer, partly to accommodate the European style, the league toughened rules against stick fouls and fighting. Team owners and league officials say the goal is to encourage skating, passing and shooting and to discourage intimidation and interference tactics.

Some NHL executives want to schedule regular season games in Europe and possibly expand them in the near future.

"Perfect timing to jump in there," said Mar-

coach of the Edmonton Oilers, who doesn't like the new penalties against holding the stick and instigating fights. "I like Canadian hockey, but it seems like it's a dinosaur now," he said. "The only guys who really like this type of hockey are the imports. I want to see the Canadian hockey brought up. You've got to get your nose bloodied, you've got to get a little bruised."

With the increase in European players, interpreters are now part of the scene in postgame locker rooms. In the corridors it is common to hear two or three players from each team speaking in Russian before breaking up and heading off in different directions.

The mix of languages and cultures creates unexpected alliances, even among the Europeans. David Volek, a fifth-year New York Islander from Czechoslovakia, finds it surprising that two of his teammates from the former Soviet Union. As a boy in Czechoslovakia, Volek said, he was forced to study Russian in school, but he disliked the language and spoke it seldom. Although technically allies, his country and the Soviet Union were rivals in many areas, especially in hockey.

Jagr, the Czech star who wears No. 68 on his back in honor of the year of the so-called Prague Spring, thinks the Europeans may change the style of the NHL. "Europeans are better with the puck," he said.

Jagr and the Penguins play in the best of the

league's four divisions, the Patrick. Also in the division are the New York Rangers, who last season had the best record during the regular schedule. They are led by Mark Messier, their veteran captain, who was part of four Stanley Cup winners in Edmonton. But a top rookie for the Rangers is Alexei Kovalev, signed this season from Dynamo Moscow.

Another Patrick division star is Eric Lindros, the highly touted, 19-year-old rookie of the Philadelphia Flyers, who refused to play for the Quebec Nordiques and was traded last summer. In his first four games, Lindros has four goals.

The Adams Division, the league's weakest, was further diluted by the addition of the Ottawa Senators, an expansion team in the Canadian capital. The best of this bunch might be the Boston Bruins, whose newest sharpshooter is Dimitri Kvartalnov, a Russian. After three games, he led the team in goals with three and in points with six.

In the Norris, the most talented team in Detroit, which finished first in this bracket last season, Among Detroit's many Europeans is Fedorov, a Russian now in his third season, who combines offensive and defensive skills with hard work. But he isn't even the best center on his team. That status goes to Steve Yzerman, the captain. The Norris also includes the Tampa Bay Lightning, an expansion team that used a woman goaltender for one period of one game during the exhibition season.

The declining Smythe Division is weakened further by the loss of the Los Angeles Kings' Wayne Gretzky, the game's best player of the 1980s, who is out indefinitely with back problems. Vancouver is favored to repeat as champion here in the regular season in part because of Bure, who is becoming something of a cult hero.

Johnson Passes First NBA Test

The Associated Press

HONOLULU — Give Magic Johnson a passing grade in his first game back with the Los Angeles Lakers of the National Basketball Association.

Johnson, who retired last November because he has the virus that causes AIDS, got 14 assists in a 124-112 exhibition victory over the Portland Trail Blazers.

The Lakers played with less spirit and confidence with Johnson out of the lineup Saturday, when he returned to Los Angeles, and were beaten, 112-83, by the Trail Blazers.

Johnson added 5 points and 4 rebounds in 27 minutes of Friday night's game, but it was his passing that ignited the Lakers to an early lead they never lost.

"My timing was better than I expected, especially passing," Johnson said. "My game is the same. It's the same game it's always been — get the ball to the open man and create. I created a lot of shots."

"My offense will come," he added. "I haven't had time to try to be offensive-minded."

His defense, he said, is "going to take some time. One step at a time, I'm not trying to rush myself."

The guy, he still has a little bit left in him, you know," said teammate A.C. Green, who had 21 points. "It's good to have him around. His experience and knowledge of the game is a big benefit. And to actually have him on the court is another tremendous benefit. It's a big difference, psychologically and mentally."

SCOREBOARD

HOCKEY

NHL Standings

WALDES CONFERENCE

Team	W	L	T	Pts	GF	GA
Pittsburgh	4	0	2	10	31	19
New Jersey	3	2	0	6	20	19
NY Rangers	3	2	0	6	21	15
Washington	3	3	0	6	22	22
NY Islanders	2	2	5	9	22	21
Philadelphia	2	3	1	5	20	22

Adams Division

Team	W	L	T	Pts	GF	GA
Quebec	4	1	0	8	20	17
Boston	3	1	1	7	26	18
Buffalo	2	3	0	4	20	23
Montreal	2	3	1	5	23	23
Ottawa	1	4	0	2	12	27
Hartford	1	5	0	2	14	27

CAMPBELL CONFERENCE

Norris Division

Team	W	L	T	Pts	GF	GA
Detroit	3	2	0	6	18	14
Minnesota	3	3	0	6	20	23
Toronto	2	3	0	4	19	18
Tampa Bay	2	3	1	5	21	20
St. Louis	2	4	0	4	19	24
Chicago	1	3	1	3	14	19

Smythe Division

Team	W	L	T	Pts	GF	GA
Los Angeles	5	0	0	10	28	19
Vancouver	4	0	0	8	24	9
Calgary	4	2	0	8	24	19
Winnipeg	2	2	0	4	19	18
Edmonton	1	3	1	3	20	24
San Jose	1	4	0	2	12	23

FOOTBALL

Major College Scores

EAST

Boston College 24, Penn State 21
Dartmouth 21, Yale 7
Dartmouth 21, Villanova 20
Holy Cross 16, Princeton 13
Lafayette 31, Harvard 29
Lehigh 31, Brown 24
Wake Forest 21, Duke 14
Massachusetts 26, Connecticut 7
Northeastern 28, Youngstown St. 23
Penn State 24, Air Force 21
Pittsburgh 27, Temple 20
Rice 27, Boston U. 27
Rutgers 45, Army 16
Syracuse 20, West Virginia 17

SOUTH

Alabama 17, Tennessee 10
Auburn 31, Mississippi St. 12
Col St.-Fullerton 14, San Louisiana 10
Can. St., Ohio St., Maroon St. 18
Clemson 21, Duke 6
Duke 21, Virginia Tech 14
Florida 21, Georgia Tech 24
Georgia 21, Vanderbilt 14
Georgia Southern 24, James Madison 17
Jackson St. 25, Southern U. 24
Kentucky 27, LSU 21
Liberty 9, Troy 57
Louisiana Tech 44, E. Tennessee 27
Louisville 34, Tulsa 37
Michigan 28, St. Joseph 14
Michigan St. 19, Arkansas 6
Memphis 37, NW Louisiana 6
Mississippi St. 17, Texas Christian 10
Missouri 28, 31, Kentucky 7
North Carolina 22, Virginia Tech 15
North Carolina 22, Wake Forest 13
North Carolina 22, Virginia Tech 15
South Carolina 21, Mississippi St. 7
South Carolina 21, Mississippi St. 7
Tennessee 21, Tenn.-Martin 15
Tennessee Tech 10, Austin Peay 9
Texas Southern 31, Alabama St. 28
W. Carolina 31, Chattanooga 13
Wake Forest 20, Maryland 15

MIDWEST

Alcorn St. 31, Ball St. 14
Ball State 24, Kent St. 9
Indiana 31, Cleveland St. 49
Iowa 24, Illinois 15
Kansas 30, Iowa St. 47
Memphis, Ohio St., Ohio U. 21
Michigan 31, Indiana 3
Michigan St. 28, Minnesota 15
N. Iowa 36, S. Illinois 25

SOCCER

DUTCH FIRST DIVISION

PSV Eindhoven 1, FC Kerkrade 1
FC Twente 1, Go Ahead Eagles 0
FC Groningen 1, Sparta Rotterdam 1
Willem II Tilburg 1, PSV Eindhoven 1
FC Utrecht 1, FC Kerkrade 0
Ajax Amsterdam 1, Cambuur Leeuwarden 1
Vitesse Arnhem 1, FC Utrecht 1

ENGLISH PREMIER LEAGUE

Chelsea 2, Ipswich 1
Crystal Palace 0, Manchester City 0
Everton 1, Coventry 1
Sheff Wed 1, Sheffield United 1
Sheff Wed 1, Sheffield United 1
Sheff Wed 1, Sheffield United 1
Sheff Wed 1, Sheffield United 1

TENNIS

SEINO SUPER TOURNAMENT

In Tokyo

Semifinals

Henrik Holm (14), Sweden, def. Alexander Volkov (8), Russia, 7-5, 6-2, 6-2 (ret.)

Final

Landi def. Holm, 7-6 (7-7), 6-4.

BOLZANO WIDECOR

In Italy

Semifinals

Arnaud Bochet (5), France, def. Olivier Delattre (7), France, 7-6 (7-7), 7-5

Final

Bochet def. Bochet, 6-2, 1-6, 7-6 (7-7).

IN FIDELITY, GERMANY

Semifinals

Guillermo Sotomayor (1), Argentina, def. Harry Joe Fernandez (4), U.S., 7-6 (6-7), 6-2

Final

Sotomayor def. Fernandez, 7-6 (7-7), 6-4.

TEL AVIV CLASSIC

Jeff Tarango (5), U.S., def. Thomas Muster (1), Austria, 6-2, 6-4

Final

Tarango def. Muster, 4-6, 6-3, 6-4.

TRANSACTIONS

BASEBALL

BALTIMORE — Orioles' Rick Dempsey, catcher, for purpose of giving him his unconditional release. Released from Rochester, International League.

CALIFORNIA — Sold contract of Bobby Brown, infielder, to Yokohama Taiyo Whiskey Japanese Control League.

OAKLAND — Corner Lonzor, third baseman, released.

TEXAS — Released option on the contract of Hideo Nomo, pitcher.

TORONTO — Activated Rocco Mattalini, catcher, from roster, and added him to World Series roster. Released Tom Coffey, third baseman, from roster.

ATLANTA — Injured David West, pitcher, to World Series roster. Released Kent Marcker, pitcher, from roster.

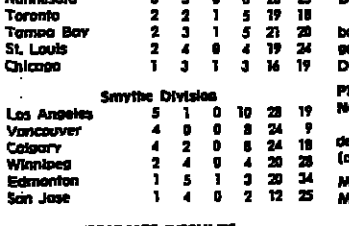
GOLF

Dunhill Cup

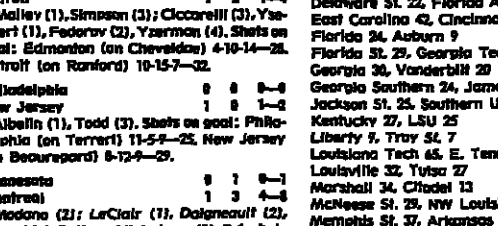
In St. Andrews, Scotland

Sweden 74, South Korea 71, Great Britain 70, U.S. 69, Canada 68, Japan 67, France 66, Australia 65, New Zealand 64, Ireland 63, South Africa 62, Germany 61, Spain 60, Italy 59, Netherlands 58, Belgium 57, Switzerland 56, Austria 55, Czech Republic 54, Slovakia 53, Hungary 52, Poland 51, Greece 50, Portugal 49, Turkey 48, Ukraine 47, Croatia 46, Slovenia 45, Serbia 44, Montenegro 43, Bosnia and Herzegovina 42, Macedonia 41, Bulgaria 40, Romania 39, Kosovo 38, Albania 37, Georgia 36, Armenia 35, Azerbaijan 34, Kazakhstan 33, Uzbekistan 32, Kyrgyzstan 31, Tajikistan 30, Turkmenistan 29, Oman 28, Qatar 27, Kuwait 26, Bahrain 25, Brunei 24, Singapore 23, Cambodia 22, Laos 21, Myanmar 20, Vietnam 19, Philippines 18, Thailand 17, Malaysia 16, Indonesia 15, Brunei 14, East Timor 13, Timor-Leste 12, Palau 11, Micronesia 10, Marshall Islands 9, Nauru 8, Tuvalu 7, Samoa 6, Tokelau 5, Kiribati 4, Tonga 3, Vanuatu 2, Solomon Islands 1, New Caledonia 0.

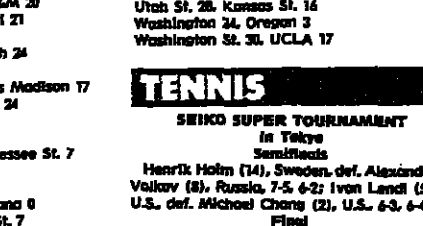
PEANUTS



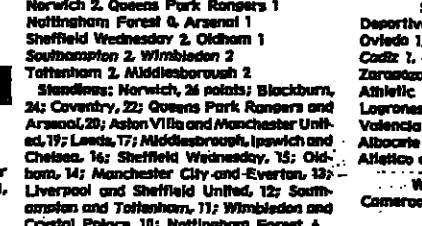
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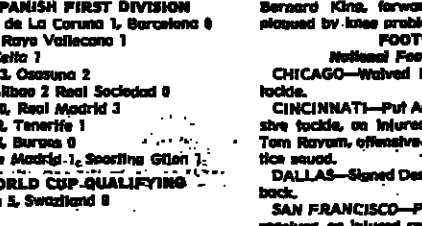
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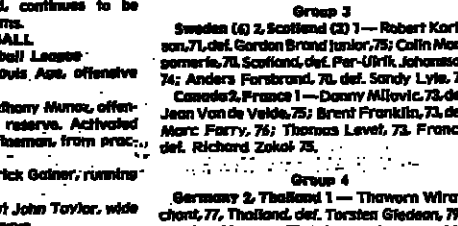
WIZARD OF ID



REX MORGAN



GARFIELD



JUMBLE

THAT SCRAMBLED WORD GAME

Unscramble these four words from ordinary words.

HYBUS

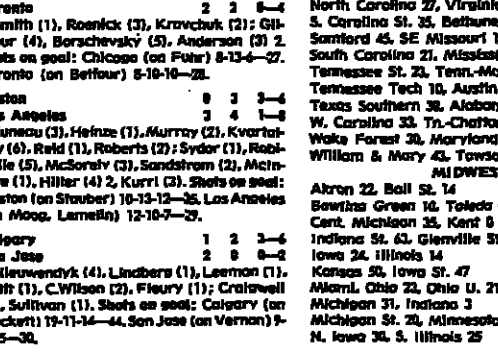
SNOWO

COOKUN

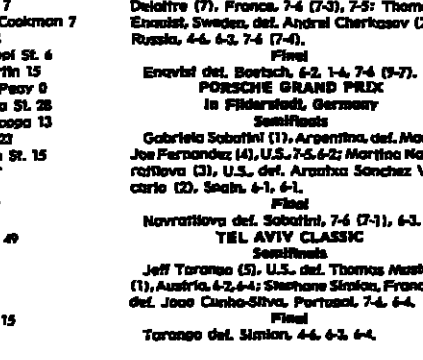
KANTLE

Answer here: "HYBUS, SNOWO, COOKUN, KANTLE"

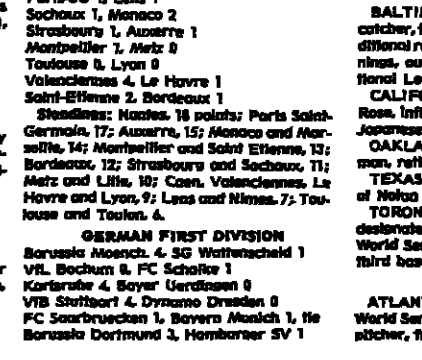
BEETLE BAILEY



DOONESBURY



REX MORGAN



GARFIELD



CRICKET

TEST MATCH

Zimbabwe vs. India, First Day

Sunday, in Harare, Zimbabwe

Zimbabwe 1st Innings: 185-0 at stumps

DENNIS THE MENACE



PEANUTS



BLONDIE



BARK BARK BARK



WIZARD OF ID



REX MORGAN



JUMBLE

THAT SCRAMBLED WORD GAME

Unscramble these four words from ordinary words.

HYBUS

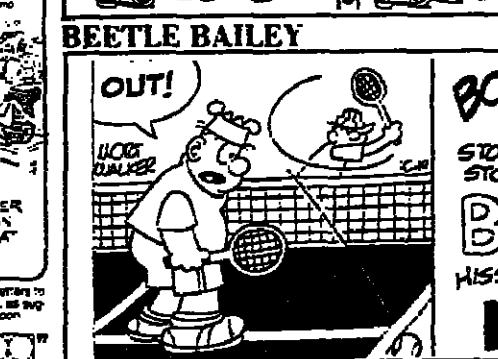
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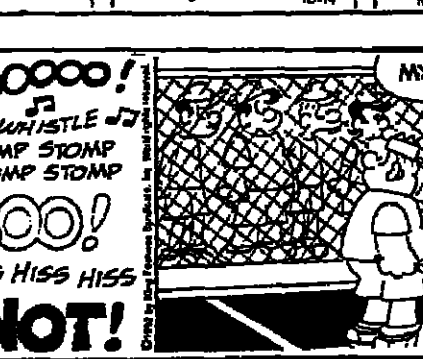
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Answer here: "HYBUS, SNOWO, COOKUN, KANTLE"

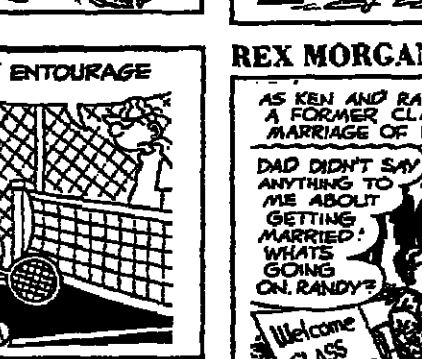
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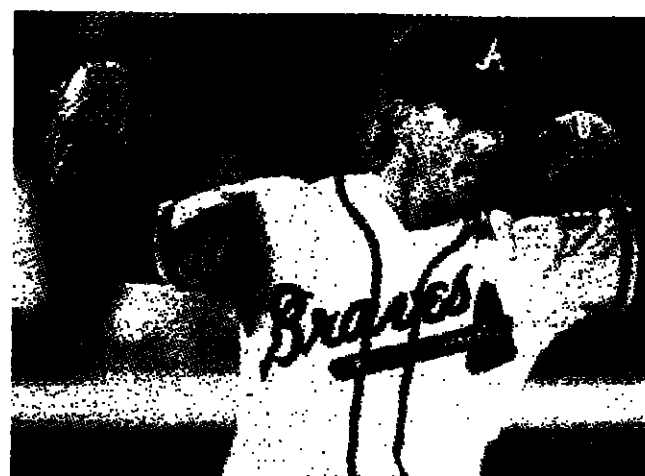
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SPORTS BASEBALL

Braves Beat Jays, 3-1, to Open Series

Berryhill Hits 2-Strike, 3-Run Homer in 6th To End Morris's 18-Inning Pitching Streak



Damon Berryhill's three-run homer in the sixth, left, gave the Braves' pitcher Tom Glavine, above, something to cheer about. But for Jack Morris, the Blue Jays' pitcher, it meant an early exit.



By Mark Maske
Washington Post Service
ATLANTA—Just when the Atlanta Braves had to be wondering whether they had somehow wronged Jack Morris in a past life and the World Series was his forum for revenge, their postseason good fortune with catchers who once weren't in their plans continued. The unlikely hero Saturday night was Damon Berryhill, who turned a too-high fastball from Morris into a three-run home run with two outs and two strikes in the sixth inning. That was all Tom Glavine and the Braves needed to post a 3-1 triumph over the Toronto Blue Jays in Game 1 of the 89th World Series in Atlanta-Fulton County Stadium.

Glavine's slump — he was 1-5 over his final seven regular season outings, then lost twice in the National League playoffs — had led Cox to contemplate a four-man rotation for the World Series. Cox even had drawn some criticism in these parts for starting Glavine, but he had the last word on that modest controversy. "I question anybody who questioned me on that one," Cox said. After Carter's homer in the fourth, Glavine settled into a groove. He faced the minimum 18 batters the rest of the way, allowing only a single to Pat Borders in the eighth but being helped out by a double-play ground ball off the bat of Manny Lee.

Berryhill was not quite as unlikely — not as dramatic — as a hero as Francisco Cabrera, the third-string catcher whose two-run single with two outs in the bottom of the ninth inning in Game 7 of the National League championship series here Wednesday put the Braves into the World Series. Yet if Greg Olson were able to play, Berryhill probably would have been sitting next to Cabrera on Atlanta's bench. Berryhill, whose 10 home runs this year were his major league high, was acquired by the Braves as insurance last year in a September trade with the Chicago Cubs. He wasn't even eligible for the 1991 playoffs. But the one-time top prospect turned marginal player suddenly became very important, when Olson broke his right ankle in a home-plate collision last month. "What a trade," the Braves' general manager, J. Paul Scherholz, could be heard muttering gleefully as he fought his way through the exiting crowd after the game. Morris departed after the sixth inning, having permitted four hits and three runs while recording seven strikeouts and five walks. He struggled, but he nearly got by. He even hinted that Toronto's manager, Cito Gaston, had perhaps removed him too quickly, saying: "I don't know why. You have to ask him. I guess he'd seen enough."

Lions Defeat Swallows, Tie Japan Series at 1-1

The Associated Press
TOKYO — Kazuhiro Kiyohara pitched a two-run home run and Kuo Ai-yan pitched a one-hitter through 6 1/2 innings Sunday as the Swallows beat the Yakult Swallows 2-0, tying the best-of-seven Japan Series at one game each. In the first five innings, the Pacific League champion Lions managed only three hits off Daisuke Kikuchi, who came back from injury and won his first victory in four years on Oct. 3 in the Swallows' central league pennant race with the Hanshin Tigers. But in the sixth, after an infield single by Koji Akiyama, Kiyohara's winning home run off Araki Kuo, who is from Taiwan, was 14th with a 2.41 earned-run average in the regular season. He held the Swallows to one infield hit and struck out before he was hit in the throwing arm in the seventh by a drive off the bat of Jack Howell, who formerly played for the San Diego Padres. First-hitter Toru Sugiura's slam in the bottom of the

Key Will Pitch Game 4 of Series For the Blue Jays

The Associated Press
ATLANTA — Jimmy Key, left out of Toronto's rotation during the American League playoffs, will pitch Game 4 of the World Series in the SkyDome on Wednesday. The Blue Jays' manager, Cito Gaston, gave Key the news before Saturday night's Series opener. The move gives starters Jack Morris, David Cone and Juan Guzman an extra day's rest and puts a left-hander into the rotation. Both Morris and Cone have thrown over 250 innings this season and started two games each in the AL playoffs. Key, 13-13 in the regular season, did pitch three innings of relief against Oakland. He never complained about not being in the playoff rotation, even though he's been with Toronto since 1984. The Blue Jays also made a roster move, adding veteran designated hitter-third baseman Rance Mulliniks, who's been bothered by a sore back, and dropping third baseman Tom Quinlan.

The Backup Catchers Are on a Roll: Another Game-Winner for Atlanta

The Associated Press
ATLANTA — First it was Francisco Cabrera. Then it was Damon Berryhill. The Atlanta Braves' catching corps is taking charge of the postseason. "I wouldn't say that, I'd say we're coming up with the big hits," said Berryhill, whose three-run homer with two outs in the sixth inning lifted the Braves to a 3-1 victory over the Toronto Blue Jays in Game 1 of the World Series. Cabrera's two-run single with two outs in the bottom of the ninth on Wednesday night had given the Braves a 3-2 victory over the Pittsburgh Pirates in Game 7 of the National League playoffs. The hit by the third-string receiver wanted Atlanta into the World Series after they appeared to be sure losers. On Saturday, Berryhill ended Jack Morris' 18-inning scoreless streak in the World Series with his homer over the right-field fence on a 1-2 pitch. "He had pitched me well my two

previous at-bats," Berryhill said. "I just tried not to be so impatient and he got a fastball up where I could drive it." "If he hadn't hit it, I don't know if we could have won," said Atlanta's manager, Bobby Cox. Berryhill might not have even gotten the chance against Morris, had it not been for a broken ankle suffered by Greg Olson on Sept. 18. "He's come through for us real good," Cox said. "He's done everything we've asked of him. We're very comfortable with him handling our pitchers. Anything we get offensively is frosting on the cake." Berryhill's homer overshadowed his job behind the plate, guiding Tom Glavine, who pitched a four-hitter, allowing only a fourth-inning homer to Joe Carter. Berryhill, a switch-hitter, had been platooning with Olson, until assuming the full-time job after the injury. The 28-year-old, who came over to the Braves in a trade with the Chicago Cubs late last season and wasn't eligible for postseason

play in 1991, batted .267 after taking over for Olson. He finished at .228 with 10 homers and 43 RBI in 101 games. "I look at this as an opportunity to show the people that I can play this game," Berryhill said. "I generally try to stay out of the spotlight, but this is the World Series and you're in it. You just want to play well." Berryhill had a quiet playoffs against the Pirates, going 4 for 24, and had only two hits in his last 18 at-bats against Pittsburgh. He was 0 for 2 against Morris before hitting the game-winner. The Blue Jays say losing the opener of their first World Series doesn't necessarily mean they're in trouble. They lost Game 1 of the playoffs to Oakland, and look how that turned out. "You can't get down about the game. They did the job they had to do and we just didn't," said Carter. "We just didn't put anything together," he said. "We couldn't get any kind of rally whatsoever."

The Boxscore

Table with columns for Team, AB, R, H, ER, BB, SO, Avg. Rows include Toronto, Atlanta, and individual player statistics for both teams.

Navratilova: A Good Day

The Associated Press
FILDERSTADT, Germany — was a perfect birthday present for Martina Navratilova as she won her 10th Wimbledon title on Sunday. On the day she turned 36, Navratilova won her 161st tournament by beating Gabriela Sabatini, 7-6 (7-6, 6-3), in the final of the Porsche and Pils. Other presents followed: 1,000 and a pink Porsche. The crowd was solidly behind Navratilova and gave her a standing ovation after her victory. "May they left compassion for an old she said. It is really astonishing what she still do," said Sabatini, 14 years Navratilova's junior. "It would have been a unfair of me to beat her today." Ivan Lendl ended a 14-month winless drought by bouncing back from a 2-5 first set deficit for a (9-7), 6-4 victory over Henrik of Sweden in the Skibo Super tennis tournament in Tokyo. Lendl served 18 aces but had double faults. He let two set slip away in the first set of the game. The 24-year-old Lendl beaten the third, sixth and 10th seeds on his way to the final. "It's nice to win," said Lendl, at the oldest player in the tournament. A native of Czechoslovakia, it was his first championship since becoming an American in July.

SIDELINES

England's Zoman Wins International

LAUREL, Maryland (UPI) — The English entry Zoman, a 5-year-old son of U.S. Triple Crown winner Affirmed, staved off a late challenge from French hopeful Silery to win the \$750,000 International. Contested bid, another French entry, took third as that country's horses dominated the first day of Laurel Race Course's International Turf Festival. French-bred Silery finished 1-3/4 in the \$300,000 All Along Stakes for older fillies and mares, with Marble Maiden coming in first followed by Wedding Ring and then Sheba Dancer. U.S.-trained Glen Kate won the \$250,000 Laurel Dash, with another two French entries, Silicon Bavaria and Cardona, trailing Glen Kate under the wire.

Milan Ties Italian Unbeaten Record

ROME (AFP) — AC Milan, with a 5-3 defeat of Lazio on Sunday, remained unbeaten after 40 matches and tied the Italian first division soccer record set by Fiorentina in 1955-56. Jean-Pierre Papin of France scored Milan's first goal, Rudi Gullit got the second and another Dutchman, Marco Van Basten, scored twice on penalty kicks as English playmaker Paul Gascoigne ran the offense. Security problems in Angola have forced the indefinite postponement of the World Cup qualifier Angola and Zimbabwe, a Zimbabwean soccer official said.

For the Record

Toronto has been awarded the basketball World Championship in 1994, to take place July 28-Aug. 7, the international federation FIBA announced Sunday in Munich. Tony Rominger of Switzerland, with a solo finish in the north Italian city of Monza, won the Tour of Lombardy cycling race, the next-to-last event of the 1992 World Cup. Claudio Chiappucci was second, with another Italian, Davide Cassani, coming in third. Jari Kari became the 18th NHL player to score 500 goals when he put the puck into an empty net 53.7 seconds from the end of Saturday night's Los Angeles' victory over Boston. Jim Bowden, the team's player development director last year, was named manager of the Cincinnati Reds, but told to win or else by owner Marge Schott. South Africa's Springboks, in their first rugby match outside the country in decades, beat France, 20-15, Saturday in Lyon. Anaelc Wamba of France won a unanimous decision over Andrew Maynard to retain his WBC cruiserweight title in Paris.

England Defeats Scotland in Dunhill Cup

The Associated Press
ST. ANDREWS, Scotland — Even without Nick Faldo, the world's top-ranked player, England upset the United States in the semifinal Sunday and then beat Scotland to win the Dunhill Cup team golf tournament. David Gilford, Steve Richardson and Jamie Spence ousted the top-seeded Americans, Fred Couples, David Love and Tom Kite, with a 2-1 victory to reach the final. Then they downed Gordon Brand Jr., Colin Montgomerie and Sandy Lyle to win the trophy for the second time. It was the second time Scotland had made the final, but it has never won in eight tournaments, all held at St. Andrews. Richardson shot a 71 to defeat Brand by two strokes, Spence and Montgomerie tied at 69 and Gilford's 71 was three better than Lyle's score as England silenced the Scots fans to win the final, 2-0. Faldo, who was on the English team that won in 1987, decided not to play so that other English players could take part. In the other semifinal, Scotland beat Australia, 2-1. In the U.S.-England semifinal, Couples, the Masters titlist, surrendered a two-stroke lead over Gilford and even tried a putt from well off the 18th green as he lost by one stroke to the Englishman. Love, a three-time winner on the U.S. Tour this year, birdied the first hole and then struggled to make putts as Richardson swept past him to card a 4-under-par 68 and won by three strokes. Kite, the U.S. Open champion, let a four-stroke advantage slip to one by the 17th but parred the last to score 71 and beat Spence by one shot. "We just didn't play as well as we thought we would," Kite said. "The golf course is not



David Gilford, left, Steve Richardson, center, and Jamie Spence with their trophy.

playing as difficult as on the first three days, so we are disappointed. We had opportunities to score even lower and we didn't take them." The match hinged on the Couples-Gilford pairing. The American birdied three holes on the outward time and his only bogey was at the 17th, the difficult Ross Hole. He pulled his tee shot far off the fairway and into some thick rough. He landed in the greenside bunker, but a well-struck shot from the sand gave him the chance of a par. He missed from 15 meters and Gilford, who parred, was ahead for the first time with one hole to go. Couples gambled with a huge tee shot that went 50 meters farther than Gilford's. Gilford made the green with his second shot and Couples decided to putt from off the green. He was 15 meters short and missed the chance of a birdie.

Greg Norman of Australia was another unlucky loser. He won his match against Brand, with a 68 that included five birdies, and his average score for four matches was 69. Sadly for Norman, his team already had lost by the time he reached the final te. Ian Baker-Finch lost by four to Montgomerie, who also shot 68, and Rodger Davis finished four behind Lyle, who scored 69. "The boys were disappointed," Norman said of his colleagues. "I'm sure they're feeling really down about it." Defending champion Mark O'Meara and Ted Schulz each shot 64 to take a one-stroke lead into Sunday's final round of the Disney Golf Classic in Lake Buena Vista, Florida. O'Meara and Schulz were at 196, 20 under par, after 54 holes and were a shot in front of Frank Conner and the second-round co-leader, J.P. Hayes.

Morris retired 11 batters in a row, five on strikeouts, between Nixon's single and a two-out walk to Justice in the fourth. Then he walked Sid Bream, too, and whiffed pitched the runners to second and third. But Ron Gant became strike-out victim number 6 on a nasty forkball to squelch the threat. Morris followed a similar script in the fifth inning. With two outs, he walked Glavine, then Nixon. Blauser worked him for a full count, but Morris blew a high fastball past him for a seventh strike-out. Morris also came within one pitch of escaping his sixth-inning predicament. Justice drew a one-out walk, and Bream grounded a single into left field before Gant bounced into a forecourt. Morris got ahead in the count to Berryhill, but his 1-2 pitch was too good. The Braves led, 3-1, and Glavine was in command.



Get your point across in no time.

Table listing international phone numbers for various countries including Austria, Bahrain, Belgium, Czechoslovakia, Denmark, Egypt, Finland, France, Germany, Greece, Hungary, Ireland, Israel, Italy, Japan, Kuwait, Luxembourg, Netherlands, Norway, Poland, Portugal, Saudi Arabia, Spain, Sweden, Switzerland, Taiwan, Turkey, United Kingdom, and United States.

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